

The Global Newspaper
Edited in Paris
Printed Simultaneously
in Paris, London, Zurich,
Hong Kong, Singapore,
The Hague and Marseille

WEATHER DATA APPEAR ON PAGE 18

No. 31,599

INTERNATIONAL Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

PARIS, SATURDAY-SUNDAY, SEPTEMBER 22-23, 1984

Afghanistan	4,400 Pds.	Urged	15,300	Norway	4,000 Pds.
Australia	19,500	Lbs.	1,300 Lbs.	Oman	3,700 Pds.
Bahrain	1,650 Pds.	Desired	400 Pds.	Peru	100 Pds.
Belgium	40 Pds.	Kerosene	14,000	Greece	4,500 Pds.
Canada	C. \$1.25	Kerosene	100 Pds.	Iraq	4,500 Pds.
Cyprus	C. £1.60	Labour	24,50	Saudi Arabia	4,000 Pds.
Denmark	1,700 Pds.	Liberia	100 Pds.	Spain	100 Pds.
Egypt	—	Liberia	100 Pds.	Turkey	100 Pds.
Finland	—	Liberia	100 Pds.	Sweden	220 Pds.
France	1,50 P.	Liberia	—	Tunisia	1,500 Pds.
Germany	2,30 D.M.	Liberia	100 Pds.	U.S.	200,000 Pds.
Iceland	45 P.	Liberia	5,500 Pds.	U.S.A.	1,000 Pds.
Ireland	—	Liberia	—	Venezuela	1,000 Pds.
Italy	100 P.	Liberia	—	Yugoslavia	1,700 Pds.

ESTABLISHED 1887

General Motors And UAW Reach Tentative Pact

Reuters

DETROIT — The United Auto Workers union reached a tentative agreement Friday on a new contract with General Motors Corp., ending strikes that had idled more than 100,000 auto workers.

Both sides said the pact con-

cluded wages and benefits. The UAW reportedly sought an increase to \$28.

Union sources in Chicago said workers at GM will receive wage increases totaling 8½ percent over the life of a new three-year contract.

The sources said General Motors has agreed to increase base wages by 3½ percent in the first year of the contract, 2½ percent in the second year and another 2½ percent in the third year.

The union began striking GM plants Sept. 14 when the old contract expired. The strike spread to 16 factories and were reportedly

(Continued on Page 17, Col. 5)

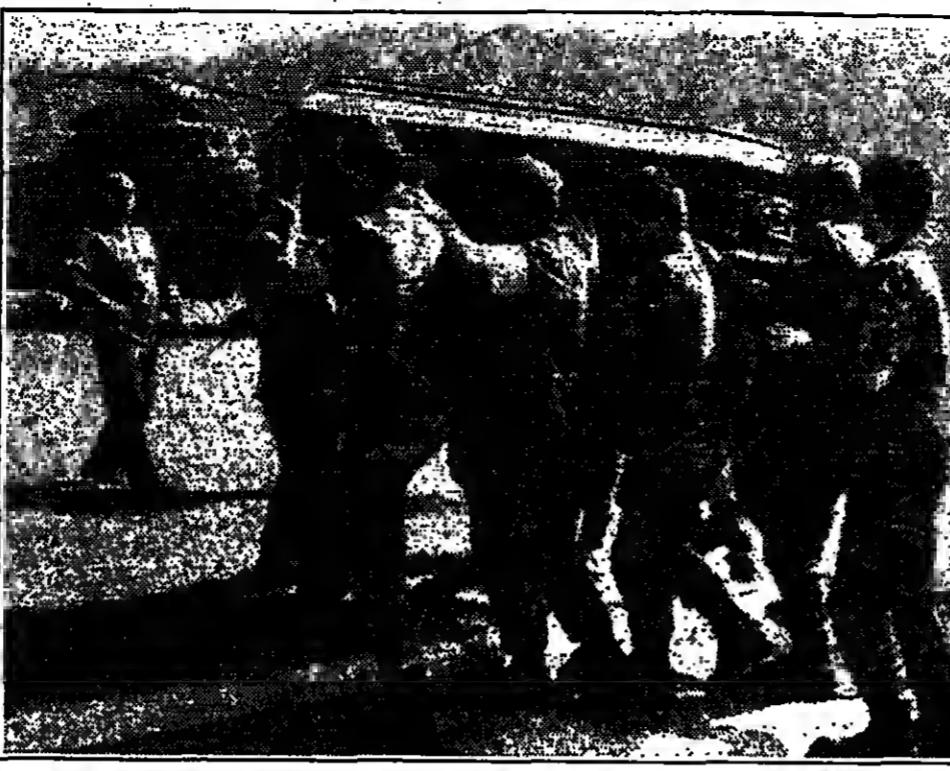
ended job security provisions unpreceded in the auto industry and a GM spokesman predicted the changes would be adopted by other industries.

The UAW president, Owen Baker, said strikers were being asked to return to work immediately and predicted that General Motors workers would ratify the three-year accord. He called the pact a historic document and said it would provide job security and wage increases for the 350,000 UAW members at GM, the world's largest automaker.

Few details of the pact were disclosed. The union said they would be revealed next week to local union leaders before a ratification vote by the members.

Union officials said the settlement will provide a base for the union in negotiations with the Ford Motor Co. and Chrysler Corp.

General Motors currently pays its workers about \$23 an hour, in-



The Associated Press

Lebanese troops moving the coffin of an American victim of the bombing to a helicopter.

U.S. Military Budget Compromise Set

By Jonathan Fuerbringer
New York Times Service

WASHINGTON — Congressional leaders and the White House have reached a compromise on the military budget that would delay any vote on production of additional MX missiles until next year and would set military spending for 1985 at \$292.9 billion, an increase of about 5 percent after inflation.

The compromise would require both the House and Senate to vote twice next April on whether to go ahead with MX production. Opponents of the MX need to win only one of the votes in either branch to block further production, while the Reagan administration and MX supporters need to win all four votes if additional missiles are to be produced.

According to Democrats, the compromise would allow for the production of 15 new missiles if supporters win next year's vote.

Last year, Congress put up the money for production of 21 missiles.

House Speaker Thomas P. O'Neill Jr., Democrat of Massachusetts, and the Senate majority leader, Howard H. Baker Jr., Republican of Tennessee, and the White House reached agreement Thursday after a long deadlock, which held up action not only on the military budget but also on the overall budget resolution.

The agreement appeared to be a major victory for House Democrats and opponents of the MX. After the announcement, Mr. O'Neill said: "In my opinion, the MX will never be deployed. I think it is a victory for the House. I

suppose that the people in the Senate think it's a victory on their side."

Mr. Baker did not declare victory for Senate Republicans or the White House. When asked if they took a "shellacking," an aside to Mr. Baker said, "I don't agree at all," adding that the Republicans "got a little bit more money."

The White House is pleased with the compromise, a Reagan official said. "We're hopeful that the conference committee can meet again soon so that they can send a bill to the White House" before Congress adjourns early next month.

The House had voted for a 3.5-percent increase in the military budget for 1985 and just 15 new missiles with one affirmative vote by both branches necessary next year to go ahead with production.

The agreed spending level for the military of \$292.9 billion compares with a projected \$264.2 billion in 1984. The original House figure was \$285.7 billion and the Senate level was \$299 billion.

Under the agreement, \$2.5 billion would be for the MX, with \$1.7 billion for expenditures related to production. The \$1.5 billion allocated to actual production and deployment would not be available unless the House and the Senate each voted twice to release it.

Both the votes on the MX are supposed to come before the Easter recess and within a few days of each other. The first would be on a resolution of approval of the MX authorization. The second would be approval of the release of the \$1.5 billion for production of the missiles in the appropriation bill.

The agreement appeared to be a major victory for House Democrats and opponents of the MX. After the announcement, Mr. O'Neill said: "In my opinion, the MX will never be deployed. I think it is a victory for the House. I

suppose that the people in the Senate think it's a victory on their side."

Mr. Baker did not declare victory for Senate Republicans or the White House. When asked if they took a "shellacking," an aside to Mr. Baker said, "I don't agree at all," adding that the Republicans "got a little bit more money."

The White House is pleased with the compromise, a Reagan official said. "We're hopeful that the conference committee can meet again soon so that they can send a bill to the White House" before Congress adjourns early next month.

The House had voted for a 3.5-percent increase in the military budget for 1985 and just 15 new missiles with one affirmative vote by both branches necessary next year to go ahead with production.

The agreed spending level for the military of \$292.9 billion compares with a projected \$264.2 billion in 1984. The original House figure was \$285.7 billion and the Senate level was \$299 billion.

Under the agreement, \$2.5 billion would be for the MX, with \$1.7 billion for expenditures related to production. The \$1.5 billion allocated to actual production and deployment would not be available unless the House and the Senate each voted twice to release it.

Both the votes on the MX are supposed to come before the Easter recess and within a few days of each other. The first would be on a resolution of approval of the MX authorization. The second would be approval of the release of the \$1.5 billion for production of the missiles in the appropriation bill.

The agreement appeared to be a major victory for House Democrats and opponents of the MX. After the announcement, Mr. O'Neill said: "In my opinion, the MX will never be deployed. I think it is a victory for the House. I

suppose that the people in the Senate think it's a victory on their side."

Mr. Baker did not declare victory for Senate Republicans or the White House. When asked if they took a "shellacking," an aside to Mr. Baker said, "I don't agree at all," adding that the Republicans "got a little bit more money."

The White House is pleased with the compromise, a Reagan official said. "We're hopeful that the conference committee can meet again soon so that they can send a bill to the White House" before Congress adjourns early next month.

The House had voted for a 3.5-percent increase in the military budget for 1985 and just 15 new missiles with one affirmative vote by both branches necessary next year to go ahead with production.

The agreed spending level for the military of \$292.9 billion compares with a projected \$264.2 billion in 1984. The original House figure was \$285.7 billion and the Senate level was \$299 billion.

Under the agreement, \$2.5 billion would be for the MX, with \$1.7 billion for expenditures related to production. The \$1.5 billion allocated to actual production and deployment would not be available unless the House and the Senate each voted twice to release it.

Both the votes on the MX are supposed to come before the Easter recess and within a few days of each other. The first would be on a resolution of approval of the MX authorization. The second would be approval of the release of the \$1.5 billion for production of the missiles in the appropriation bill.

The agreement appeared to be a major victory for House Democrats and opponents of the MX. After the announcement, Mr. O'Neill said: "In my opinion, the MX will never be deployed. I think it is a victory for the House. I

suppose that the people in the Senate think it's a victory on their side."

Mr. Baker did not declare victory for Senate Republicans or the White House. When asked if they took a "shellacking," an aside to Mr. Baker said, "I don't agree at all," adding that the Republicans "got a little bit more money."

The White House is pleased with the compromise, a Reagan official said. "We're hopeful that the conference committee can meet again soon so that they can send a bill to the White House" before Congress adjourns early next month.

The House had voted for a 3.5-percent increase in the military budget for 1985 and just 15 new missiles with one affirmative vote by both branches necessary next year to go ahead with production.

The agreed spending level for the military of \$292.9 billion compares with a projected \$264.2 billion in 1984. The original House figure was \$285.7 billion and the Senate level was \$299 billion.

Under the agreement, \$2.5 billion would be for the MX, with \$1.7 billion for expenditures related to production. The \$1.5 billion allocated to actual production and deployment would not be available unless the House and the Senate each voted twice to release it.

Both the votes on the MX are supposed to come before the Easter recess and within a few days of each other. The first would be on a resolution of approval of the MX authorization. The second would be approval of the release of the \$1.5 billion for production of the missiles in the appropriation bill.

The agreement appeared to be a major victory for House Democrats and opponents of the MX. After the announcement, Mr. O'Neill said: "In my opinion, the MX will never be deployed. I think it is a victory for the House. I

suppose that the people in the Senate think it's a victory on their side."

Mr. Baker did not declare victory for Senate Republicans or the White House. When asked if they took a "shellacking," an aside to Mr. Baker said, "I don't agree at all," adding that the Republicans "got a little bit more money."

The White House is pleased with the compromise, a Reagan official said. "We're hopeful that the conference committee can meet again soon so that they can send a bill to the White House" before Congress adjourns early next month.

The House had voted for a 3.5-percent increase in the military budget for 1985 and just 15 new missiles with one affirmative vote by both branches necessary next year to go ahead with production.

The agreed spending level for the military of \$292.9 billion compares with a projected \$264.2 billion in 1984. The original House figure was \$285.7 billion and the Senate level was \$299 billion.

Under the agreement, \$2.5 billion would be for the MX, with \$1.7 billion for expenditures related to production. The \$1.5 billion allocated to actual production and deployment would not be available unless the House and the Senate each voted twice to release it.

Both the votes on the MX are supposed to come before the Easter recess and within a few days of each other. The first would be on a resolution of approval of the MX authorization. The second would be approval of the release of the \$1.5 billion for production of the missiles in the appropriation bill.

The agreement appeared to be a major victory for House Democrats and opponents of the MX. After the announcement, Mr. O'Neill said: "In my opinion, the MX will never be deployed. I think it is a victory for the House. I

suppose that the people in the Senate think it's a victory on their side."

Mr. Baker did not declare victory for Senate Republicans or the White House. When asked if they took a "shellacking," an aside to Mr. Baker said, "I don't agree at all," adding that the Republicans "got a little bit more money."

The White House is pleased with the compromise, a Reagan official said. "We're hopeful that the conference committee can meet again soon so that they can send a bill to the White House" before Congress adjourns early next month.

The House had voted for a 3.5-percent increase in the military budget for 1985 and just 15 new missiles with one affirmative vote by both branches necessary next year to go ahead with production.

The agreed spending level for the military of \$292.9 billion compares with a projected \$264.2 billion in 1984. The original House figure was \$285.7 billion and the Senate level was \$299 billion.

Under the agreement, \$2.5 billion would be for the MX, with \$1.7 billion for expenditures related to production. The \$1.5 billion allocated to actual production and deployment would not be available unless the House and the Senate each voted twice to release it.

Both the votes on the MX are supposed to come before the Easter recess and within a few days of each other. The first would be on a resolution of approval of the MX authorization. The second would be approval of the release of the \$1.5 billion for production of the missiles in the appropriation bill.

The agreement appeared to be a major victory for House Democrats and opponents of the MX. After the announcement, Mr. O'Neill said: "In my opinion, the MX will never be deployed. I think it is a victory for the House. I

suppose that the people in the Senate think it's a victory on their side."

Mr. Baker did not declare victory for Senate Republicans or the White House. When asked if they took a "shellacking," an aside to Mr. Baker said, "I don't agree at all," adding that the Republicans "got a little bit more money."

The White House is pleased with the compromise, a Reagan official said. "We're hopeful that the conference committee can meet again soon so that they can send a bill to the White House" before Congress adjourns early next month.

The House had voted for a 3.5-percent increase in the military budget for 1985 and just 15 new missiles with one affirmative vote by both branches necessary next year to go ahead with production.

The agreed spending level for the military of \$292.9 billion compares with a projected \$264.2 billion in 1984. The original House figure was \$285.7 billion and the Senate level was \$299 billion.

Under the agreement, \$2.5 billion would be for the MX, with \$1.7 billion for expenditures related to production. The \$1.5 billion allocated to actual production and deployment would not be available unless the House and the Senate each voted twice to release it.

Both the votes on the MX are supposed to come before the Easter recess and within a few days of each other. The first would be on a resolution of approval of the MX authorization. The second would be approval of the release of the \$1.5 billion for production of the missiles in the appropriation bill.

The agreement appeared to be a major victory for House Democrats and opponents of the MX. After the announcement, Mr. O'Neill said: "In my opinion, the MX will never be deployed. I think it is a victory for the House. I

suppose that the people in the Senate think it's a victory on their side."

Mr. Baker did not declare victory for Senate Republicans or the White House. When asked if they took a "shellacking," an aside to Mr. Baker said, "I don't agree at all," adding that the Republicans "got a little bit more money."

The White House is pleased with the compromise, a Reagan official said. "We're hopeful that the conference committee can meet again soon so that they can send a bill to the White House" before Congress adjourns early next month.

The House had voted for a 3.5-percent increase in the military budget for 1985 and just 15 new missiles with one affirmative vote by both branches necessary next year to go ahead with production.

The agreed spending level for the military of \$292.9 billion compares with a projected \$264.2 billion in 1984. The original House figure was \$285.7 billion and the Senate level was \$29

West Bank Jews and Arabs Unhappy With New Government

By Terence Smith
New York Times Service

HEBRON, Israeli-Occupied West Bank — The Arab residents of the West Bank and the Jewish settlers who live among them rarely see things the same way, but now they are agree about one thing: Neither group has much use for the policies espoused by Israel's new coalition government.

In interviews here and in other West Bank towns, militant Jewish settlers expressed their dismay over the government's policy of restricting the establishment of new settlements.

Rabbi Eliezer Waldman, a founder of the settlement of Qiryat Arba overlooking Hebron, said he and his colleagues would be "on the government's neck" to press ahead with more settlements.

At the same time, Arab leaders made it clear that they had little hope that the carefully balanced coalition would have the political muscle to change the situation very much.

"This government is like a car with two drivers," said Elias M. Frej, the moderate Arab mayor of Bethlehem. "It can't go anywhere."

Few people in the West Bank believe the government will be effective in dealing with either the settlements or the status of the occupied territories.

On other subjects, such as the need to restrain the overheated economy or the desire in pull Israeli troops out of Lebanon, there is a broad consensus in the Labor-Likud coalition.

But on the issue of the settlements, as well as on the future of the West Bank and the Gaza Strip, the two main partners of the coalition simply agreed to disagree. They struck a compromise under which work would be started on five or six of the less controversial of the 27 new settlements approved by the Likud government.

Decisions on any other settlements will have to be made by the 10-member "inner cabinet," which is evenly divided between Labor and Likud members. Labor members have stressed that this gives them a veto over more new settlements. But the Jewish settlers do not see it that way.

"I'm convinced that the settlement process that has already established over 100 settlements in Judea and Samaria with some 35,000 residents will not be



Mayor Elias M. Frej

stopped," the Rabbi Waldman said. He talked for more than an hour in his office in a yeshiva in Qiryat Arba, a settlement that was begun on the outskirts of this city in 1968 and now has grown into a town of 5,000 people.

"If the government doesn't put in the money," he said, "then the settlers will."

Rabbi Waldman said that two leading Likud cabi-

nets members, Deputy Prime Minister Yitzhak Shamir and Trade Minister Ariel Sharon, had promised the settlers that Likud would dissolve the coalition "if they find they can't go ahead with more settlements."

"We'll make sure they stick to that pledge," he said.

The rabbi said that if necessary, the settlers were prepared to establish unauthorized settlements without waiting for government action. He recalled that Qiryat Arba began that way but eventually gained approval as a permanent settlement from a Labor-led government.

"We won't let Labor forget that some of the largest and most important settlements were established when they were in power," he said.

Rabbi Waldman added that a litmus test for the new government, as far as the settlers are concerned, would be the continued development and restoration of the old Jewish quarter in the center of Hebron.

"The Likud government approved it," he said, "but will the money be forthcoming under the new government?"

Rabbi Waldman will be able to question the government in parliament, to which he was elected in July as a member of the rightist Tehiya Party. "We'll be on the government's neck on this," he said.

A dozen miles to the north, Mayor Frej sat in his office in Bethlehem. A member of the municipal government since Israel occupied his town 17 years ago, he has dealt with seven Israeli governments, led by both Labor and the Likud.

"I don't envy Mr. Peres his job," he said, referring to Shimon Peres, the new Labor prime minister. "He has to balance not just Labor and Likud but also the smaller parties, each of which is trying to protect their own interests."

The mayor said he held out little hope that Mr. Peres's invitation to King Hussein of Jordan to come to the peace table would actually lead to negotiations.

The real question is whether this new government means peace, he asked. "Creeping annexation of our land, more colonialism, more settlements?"

The only useful negotiations, he said, would be "total peace for total withdrawal." Even that would be "a bitter pill" for many Arabs to swallow, he said.

In the meantime, Mayor Frej said, talks should be held to achieve some kind of autonomy for the resi-



Rabbi Eliezer Waldman

dents of the West Bank. Such a plan offers "the last chance we have," he said, "and even this chance will be gone two years from now."

The mayor said he doubted that the new Israeli government could even begin autonomy talks without producing fatal divisions in its own ranks. "I'm afraid even autonomy is more than they can manage," he said.

U.K. Liberals Urge Removal of Cruise

By R.W. Apple Jr.
New York Times Service

LONDON — The annual Liberal Party assembly has called for the removal of American cruise missiles from Britain despite the protests of David Steel, the Liberal leader.

The action Thursday dealt a blow to the solidarity of the Liberal alliance with the Social Democrats since the new Liberal stance is in direct opposition to that of the Social Democrats, who favor the inclusion of cruise missiles in arms talks. This will make it very difficult for the two parties to work out the common manifesto, or platform, on which they hope to run next time.

The assembly also advocated the adoption of a formal "no first strike" nuclear pledge by all countries of the Western alliance.

Mr. Steel had implored the delegates to reject the motion urging the removal of the U.S.-manned

weapons "forthwith." He made his speech from the floor, breaking with long-standing political tradition by descending from the platform of the convention hall in Bournemouth, a resort town on the Channel.

But despite Mr. Steel's forceful words, in which he invested much of his considerable political capital, the assembly backed the motion by a vote of 611 to 556.

However, the delegates backed by a similarly close vote, 643 to 545, a motion calling for the temporary retention of British nuclear deterrent in the form of the obsolescent Polaris missiles, pending their inclusion in disarmament talks. Mr. Steel had warned that Liberal support for the abandonment of both cruise and British nuclear weapons, as advocated by the Labor Party, would cost the alliance as dearly as it cost Labor in the 1983 general election.

The electorate has demonstrat-

ed time and again," said the Liberal leader, "that it will not vote for any party that dodges its basic responsibilities for defense. Be very careful. Think about what you are doing."

Mr. Steel had advocated a compromise measure, backed by most of the Liberal members of Parliament, calling for a freeze on the further deployment of cruise missiles in Western Europe and for a system of joint control by the United States and the countries in which they are based.

Mr. Steel had made it clear before the debate that he deserved the right to ignore the vote if he thought it in the best interests of the party.

■ Labor Wins in London

The Labor Party coasted to easy victories early Friday in London local elections which were seen as a referendum on government plans to abolish the capital's governing authority, Reuters reported.

Bokassa Says He's Hard Up And Homesick

The Associated Press

HARDRICOURT, France — Five years after losing his throne as Central African emperor, Jean-Bédel Bokassa said he is now so poor that his children are foraging for food on the grounds of his château, and he wants to go home.

Mr. Bokassa was accused of atrocities before he was overthrown in a 1979 coup. On Thursday, he appealed for sympathy at a news conference he called at the château west of Paris, where he has lived for nearly a year.

Mr. Bokassa, 64, angrily denied charges that he once ordered the slaughter of schoolchildren. He was sentenced to death in absentia in December 1980 for the murders.

At the château, a stock of rice, dried fruit, and flour were visible on kitchen shelves, but Mr. Bokassa said the nine children with him were obliged to scrounge for wild fruit and mushrooms. He said he must manage on about \$750 a month from a pension earned during his French military service.

Mr. Bokassa said the experts would meet again Oct. 6 to iron out technical details and if no problems

Church, State in Poland Agree on Farming Fund

Reuters

WARSAW — Poland's Roman Catholic Church and the Communist authorities have reached a provisional agreement on setting up a Western-supported church fund to aid private agriculture in the country, a church spokesman said Friday.

The program involves securing \$1.8 billion over a five-year period, primarily from the United States and European public institutions, to help private Polish farmers buy urgently needed items such as chemicals, machines and fertilizers.

The sources said they hoped another \$170 million would be forthcoming in the first year of the fund's operation, to be followed by larger sums as the project developed.

Private Polish farms have suffered in the Communist period after World War II from government discrimination in favor of state and collective farms, which have received priority in the allocation of machinery and fertilizers.

But the government says it does not plan to abolish private farms and is interested only in improving their efficiency.

emerged the fund could be registered in court only weeks later.

Sources close to the church side in the talks said the most significant aspect of the agreement was that it ensured that the fund would be administered independently of the state.

Western countries have so far pledged the Polish church \$28 million for the fund, the United States and European public institutions, have promised \$10 million each, and the American and European Catholic churches \$4 million each.

The sources said they hoped another \$170 million would be forthcoming in the first year of the fund's operation, to be followed by larger sums as the project developed.

Private Polish farms have suffered in the Communist period after World War II from government discrimination in favor of state and collective farms, which have received priority in the allocation of machinery and fertilizers.

But the government says it does not plan to abolish private farms and is interested only in improving their efficiency.

WORLD BRIEFS

French, Italians to Stay in Gulf of Suez

CAIRO — French mine-hunters will extend their operations in the Gulf of Suez for up to a week after finding more "mine-like objects," and Italian units were returning to the gulf on Friday for a renewed search after a Sandi merchant ship was damaged by an explosion.

A French Embassy source said that two French mine-hunting ships and two support vessels searching the southern sector of the Gulf on Thursday found "a few mine-like objects that appear to be part of an old mine field." He said the objects were found close to where the French located two Soviet-made mines dating from the 1973 Arab-Israeli war, one of which was detonated last Friday and one on Thursday.

An Italian Embassy spokesman, who requested anonymity, said the Italian contingent, including the mine-hunters Castagnio, Frassino and Loto and the support vessel Cavezzale, would return to the Gulf on Friday from a search operation in the Suez Canal. He said Egyptian authorities requested this Wednesday following the discovery of a mine by British units there.

UN Cyprus Talks Are Bogged Down

UNITED NATIONS. New York (NYT) — Two weeks of talks involving Greek and Turkish Cypriot leaders here have ended without apparent progress, officials said. Further discussions have been scheduled for Oct. 15.

The talks, which ended Thursday, were held separately with Javier Pérez de Cuellar, the UN secretary-general. They were the first contacts in five years between the Greek Cypriot president, Spyros Kyprianou, and Rauf Denktash, leader of the Turkish population.

A UN official said neither side had gone much beyond outlining its position. He added that "they will have to do a lot better" if the October discussions are to be productive.

U.S., Soviet Astronauts Form Group

PARIS (IHT) — A group of former U.S. and Soviet astronauts have agreed to form an organization to promote humanitarian uses of outer space and space technology, a U.S. member of the group said Friday.

Membership in the group, which plans annual private meetings, will be open to approximately 100 people who have traveled in space, regardless of nationality. The organization was formed at a meeting Sept. 7-9 near Paris. It was attended by three Soviet space veterans and three retired U.S. astronauts.

The U.S. astronauts are Donn F. Eisele, Dr. Edgar D. Mitchell and Russell L. Schweickart. The cosmonauts are Alexei Leonov, Oleg Makarov and Yuri Romanenko.

Graham Lands Open Soviet Churches

MOSCOW (Reuters) — The Reverend Billy Graham, a U.S. evangelist, said Friday at the end of a 12-day preaching tour of the Soviet Union that it was "wonderful" how many churches were open there.

Mr. Graham arrived in Moscow on Sept. 9 as guest of the Russian Orthodox Church. Once known for his fiery anti-communist remarks, he said that some people in the West wrongly thought there was no religion in the Soviet Union and that he now believed there was a measure of religious freedom there.

Mr. Graham paid an official visit to Moscow in 1982 and caused controversy in the United States when he was quoted as praising the amount of religious freedom he found in the Soviet Union. On this trip, Mr. Graham said he discussed with Soviet officials the plight of Baptists who have refused to register with the government and face imprisonment or are in jail. He would not elaborate.

U.S. Army Paid Too Much for Guns

WASHINGTON (NYT) — The U.S. Army paid at least \$34 million more than necessary in a \$1.5-billion contract for 276 Sergeant York antiaircraft guns, Pentagon auditors have concluded.

A report from the Defense Department's inspector general was released Thursday by Representative Denny Smith, a Republican of Oregon. It said that too much emphasis was placed on accelerating the pace of the Sergeant York program and therefore "negotiations were not conducted in a way that ensured that the interests of the government were fully protected and fair and reasonable prices were obtained."

The Sergeant York, two radar-aimed cannons mounted on a tank chassis, is manufactured by Ford Aerospace and Communications Co. in Newport Beach, California. The army plans to acquire 618 of the guns by 1989 at an estimated price of \$4.5 billion.

Fatah Delays PLO Council Session

TUNIS (Reuters) — Yasser Arafat's el-Fatah organization announced Friday that it was postponing a long-delayed session of the Palestine National Council, the Palestinians' parliament-in-exile, which was to start in Algiers next Friday.

The central committee of Fatah, the dominant faction in the Palestine Liberation Organization, issued a statement after a two-day meeting here saying that it was still determined to hold the session. It said the postponement was needed to give time for further contacts with other Palestinian groups and give Algeria and South Yemen, which are trying to ramite the PLO, more time to normalize relations between Arab loyalists and Syria.

Mr. Arafat's followers had been pressing for an early meeting of the council, on which they have a clear majority, confident that it would reconfirm his disputed leadership of the organization. PLO officials say that President Hafez al-Assad of Syria is adamant that the council should not meet before Mr. Arafat is removed as chairman.

French Court Rejects Basques' Plea

PARIS (AP) — The French appeal court rejected an appeal Friday by seven Basques, who have been on a hunger strike for more than 40 days, to be spared extradition to Spain.

The court approved an earlier extradition order by a court in the southern city of Pau.

The final decision on whether the men will be extradited, or possibly expelled to another country, will be made by the French government.

For the Record

A French television journalist captured by Soviet troops in Afghanistan is alive and well and his release will be negotiated soon, informed Soviet sources in Moscow said Friday. Jacques Abouchar, a correspondent for the Antenne 2 network, was captured after an ambush on Monday, according to a French journalist guiding the team.

An heir to the Upjohn Co., Roger A. Gamble, 43, originally sentenced in chemical castration and five years probation for raping his teen-age stepdaughter, was resentenced Friday in Kalamazoo, Michigan, to five to 15 years. The original sentence in January 1984 had provoked a public outcry, with some people saying it was too lenient.

Grenada's first general election since 1976 has been scheduled by the interim government for Dec. 3. Sir Paul Scoon, the governor general, announced Thursday.

Dennis Banks, the Indian activist who fled South Dakota in 1975 after being found guilty of riot charges, pleaded not guilty Friday to a federal count of flight to avoid confinement after conviction. Mr. Banks awaits sentencing Oct. 8 on state convictions of riot and assault stemming from a 1973 demonstration at the Custer County Courthouse.

S. Africa Opens Hearing on 6 Taking Refuge in a Consulate

PIETERMARITZBURG, South Africa — Lawyers for six South African fugitives who took refuge in the British consulate in Durban more than a week ago began a legal battle Friday to overturn detention orders issued by the authorities.

One of the lawyers, Ismail Mohamed, told the Supreme Court that the law and order minister, Louis Le Grange, who signed the orders, could not have reasonably concluded that the six men were trying to create a revolutionary situation or were endangering the maintenance of law and order.

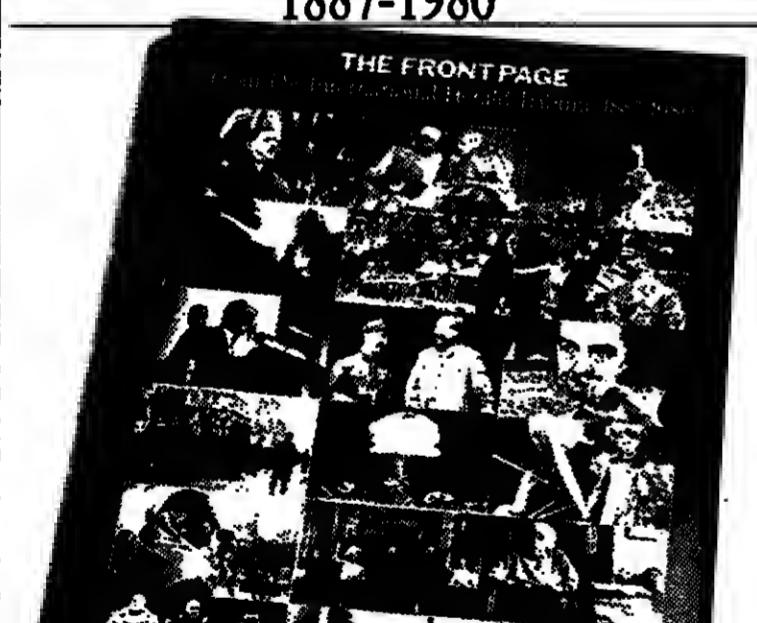
The six dissidents sought refuge in the consulate Sept. 13 to escape arrest.

The six men, five Asians and one black, belong to the Natal Indian Congress and the United Democratic Front. The two parties campaigned for a boycott of elections last month to a new house of Parliament that allows a minor party

THE FRONT PAGE

The International Herald Tribune

1887-1980



AMERICAN TOPICS

Texans Think Big About High Tech

They will extend their operations in the Gulf on Friday for a second time. French mine-hunting ships that appear to be part of a fleet from the 1973 Arab-Israel war requested anonymity, said the source. They would return to the Gulf or follow the discovery of a mine.

e Bogged Down

(NYT) — Two weeks of talks here have ended without a breakthrough. They were the first comprehensive negotiations between the two sides. They had been held separately with Soviet president, Soviet Krymsk, who has much less influence than it did a week earlier. The October 1st deadline has been extended by one week.

U.S. Form Group

U.S. and Soviet economists, more than 100 members of the group, and French officials are meeting to discuss what they can do to help the economy. It was formed at a meeting of the Soviet space committee, and Dr. Edgar D. Michel is its Alain Lejeune, Chevallier.

Inauguration Day, Football Won't Clash

The word going around Washington is that congressional leaders postponed the 1985 presidential inauguration one day to Monday, Jan. 21, to avert a television conflict with professional football's Super Bowl, which is scheduled for Sunday, Jan. 20.

"It reads well and it tells well, but it just ain't true," said John Chambers, staff director of the Joint Congressional Committee on the Inauguration. He said that on each of the five previous occasions that Inauguration Day fell on a Sunday the president-elect was sworn in privately that day, with the public ceremony on Monday.

The previous five were James Monroe (1817), Zachary Taylor (1849), Rutherford B. Hayes (1877), Woodrow Wilson (1917) and Dwight D. Eisenhower (1953). Mr. Chambers said there will be a private swearing-in of the next president on Sunday, Jan. 20, the date stipulated in the Constitution, and that the public ceremony will be the next day.

Much for Guns

After a year of negotiations, the Senate has agreed to a bill that would expand gun control laws. It includes a ban on assault weapons and a ban on the sale of handguns to minors under 18. The bill is expected to pass the House next month.

council Session

Senate Republicans are likely to support the bill, while House Democrats are split. The bill is expected to become law by the end of the year.

Basques' Plea

Basque separatists are calling for a general strike in the Basque region of northern Spain. They want the government to recognize their right to self-determination.

Texans Think Big About High Tech

Texas, whose name is synonymous with oil, is running out of it. Many geologists believe there is not enough undiscovered petroleum to last much beyond the year 2000.

And as the wells begin to dry up, Texas is undergoing a transition, with scores of new ventures in computers, medical technology, aerospace and scientific research.

But can Texas make it big in the high-tech age? John A. Boatwright, an economist for Exxon U.S.A., with headquarters in Houston, says, "Texas is going to look more and more like the rest of the nation than it ever has in the past."

Why set up shop in Texas when Massachusetts or California might do just as well? The Texas Economic Development Commission cites the state's weather, its low unionism and low taxes. Mark Fowler, 34, president of a new Houston computer firm, says Texans may have more company loyalty than they do, in Silicon Valley. "In California, they can walk across the parking lot and get a new job," he said.

Short Takes

Trading stamps, which were popular with American shoppers during the 1950s and 1960s but almost faded from sight in the next decade, are making a comeback. Today, stamp sales are about \$300 million a year. During the peak years they approached \$1 billion.

Town officials in Edgartown, Massachusetts, want to sell the Dike Bridge on Chappaquiddick Island where Senator Edward M. Kennedy was involved in the 1969 auto accident in which Mary Jo Kopechne died.

Mr. Bush told the crowd of about 1,000, "You have a handful of people who are out of step who care about their issues." Then, marching on his upbeat theme, he said: "But America is turned around, America is strong and nobody likes it, those guys just don't like it."

Mr. Bush hinted at a later news conference that it was possible the Democrats had decided to re-elect him after he had been re-elected at the University of Southern California shouted at Walter F. Mondale, the Democratic presidential candidate.

When heckling gets elevated to the point where it is real embarrassment to one's side, the other side might well say, "We'd better get out there and do the same thing," Mr. Bush said.

[Mr. Bush's press secretary, angered by news accounts of the encounter with the hecklers, said Friday he would no longer give reporters advance copies of the vice president's speeches. The Associated Press reported from Bangor, Maine.]

Notes on People

Morton H. Halperin, the former National Security Council aide who sued President Richard M. Nixon and Henry A. Kissinger for approving a wiretap on his telephone, appears to be a top contender to become director of the American Civil Liberties Union's national office in Washington, according to ACLU sources. The job opened up when John Shattuck left to become a senior administrator at Harvard University.

Gordon Peter Getty, 51, son of the late oil magnate, J. Paul Getty, disagrees with Forbes Magazine, which called him the richest individual in the United States with a \$4.1 billion fortune. He said, "What they did was to count my family trust fund as part of my personal wealth." He said he's actually worth only "somewhat between \$30 million and \$50 million, but I have not had a hard look at it for a couple of years."

N.Y. Mayor Knocks, Polishess 'Big Apple'

Serious crimes are down in New York City and felony arrests are up. The welfare rolls are growing, as are the ranks of homeless people. Streets are cleaner, even if they remain potholed.

Mayor Edward L. Koch, in his annual report for the fiscal year ending June 30, said that while most "city services continue to improve," others are in the "early stages of recovery" from the fiscal crisis of the mid-1970s.

The mayor said almost a million potholes were filled, with an uncounted number still unfilled. He said the percentage of streets rated "acceptably clean" was higher than it had been in years.

Steve Goodman, Songwriter, Dies Of Leukemia at 36

United Press International
SEATTLE — The folk singer and songwriter Steve Goodman, 36, whose romanticized railroad ballad "City of New Orleans" was made into a hit by Art Garfunkel, has died of complications from a bone marrow transplant to treat leukemia.

Mr. Goodman, who had leukemia for 15 years, died Thursday at the University of Washington Hospital. He had received bone marrow from his brother in a transplant Aug. 31 and had been in a coma for a week with kidney and liver failure, a hospital spokeswoman said.

Mr. Goodman's songs included "Somebody Else's Troubles" and "Jessie's Jig" and have been recorded by David Allan Coe, John Denver, Joan Baez and others. This week, Mr. Goodman released "Santa Ana Winds" on his own label, Red Pajama Records. Although he received much critical acclaim and sang with such rock figures as Bob Dylan, his recordings never sold particularly well and his lifestyle remained moderate.

Carl J. Friedrich, 83, professor of government at Harvard University, Wednesday, a widely published author in political science, philosophy, history and law.

Carlo Pesenti, 77, a former director of the Banco Ambrosiano. Friday in a Montreal hospital, a spokeswoman for one of his companies said in Milan. Mr. Pesenti had been due to appear in a Milan court on Friday to answer charges of involvement in the collapse of the bank in 1982.

To place an advertisement in this section please contact:
Ms. Elizabeth HERWOOD
181 Ave. Ch.-de-Caille,
92221 Neuilly Cedex, France.
Tel.: 747-1265.

Bush Jeered In Vermont, A Republican Stronghold

By Jane Perlez
New York Times Service

BURLINGTON, Vermont —

The Brattleboro Common is a square of green in the middle of the town where people usually come to play chess and listen to music. It is also where Vice President George Bush learned that Brattleboro, although it is in a traditionally Republican state, does not always give the party's leaders a warm welcome.

About 200 protesters, some bearing hand-painted banners with messages opposing nuclear weapons, peppered the vice president Thursday with such a volley of anti-Republican slogans that he scrapped most of his speech on the Reagan administration's record on arms control. Until now, Mr. Bush had campaigned mostly in the South and Middle West and had not encountered such a barrage of heckling.

Mr. Bush was speaking in the heart of nuclear-freeze country. His aides said later that he had not been surprised by the shouts of "No more years" and "Six more weeks" that kept him from being heard.

Even so, a dark-suited advance man from Washington, upset that his picturesque event was being spoiled, walked through the protesters juggling at the signs, asking their owners to take them down.

Mr. Bush told the crowd of about 1,000, "You have a handful of people who are out of step who care about their issues." Then, marching on his upbeat theme, he said: "But America is turned around, America is strong and nobody likes it, those guys just don't like it."

Mr. Bush hinted at a later news conference that it was possible the Democrats had decided to re-elect him after he had been re-elected at the University of Southern California shouted at Walter F. Mondale, the Democratic presidential candidate.

When heckling gets elevated to the point where it is real embarrassment to one's side, the other side might well say, "We'd better get out there and do the same thing," Mr. Bush said.

[Mr. Bush's press secretary, angered by news accounts of the encounter with the hecklers, said Friday he would no longer give reporters advance copies of the vice president's speeches. The Associated Press reported from Bangor, Maine.]

Shifting of Fuel May Have Failed During B-1 Flight

Washington Post Service

WASHINGTON — Failure to pump fuel from the rear to the front of a B-1 bomber to redistribute the center of gravity during low-altitude tests may have caused the plane to stall and crash Aug. 29, killing one of the pilots, air force sources said Thursday.

Brattleboro was one of the most active centers of the nuclear-freeze movement in 1982 in a state where 186 towns out of 245 voted in favor of a mutually verifiable freeze on nuclear weapons, according to David McCauley, the field secretary of the American Friends Service Committee. Mr. McCauley said his organization did not support any presidential candidate.

Before arriving in Vermont, Mr. Bush made a quick stop in Boston on behalf of Ray Shamie, who won Tuesday's Massachusetts Republican primary for the Senate seat being vacated by Paul E. Tsongas, a Democrat.

Mr. Bush, appealing to Democrats to support the Republican presidential ticket, said, "John Kennedy once said that party loyalty sometimes asks too much; and I think in 1984, party loyalists are asking too much from mainstream Democrats to stick with Walter Mondale."

Mr. Bush ended his trip to Vermont with several appearances in and near Burlington, including a question-and-answer session at St. Michael's College in Winooski. He said there that spending on most domestic programs, including food stamps and student aid, had increased in the Reagan administration. At a news conference, Mr. Bush said he could not deny that the increased spending on food stamps had been caused by the recession of 1981 and 1982.

The pilot tried to recover from the stall by adding power and pushing the nose down. But they had neither enough time nor altitude to overcome the downward pull of fuel concentrated in the rear of the aircraft, sources said.

Modern bombers carry fuel in pockets all over the aircraft. The fuel is constantly redistributed during flight to keep the plane's center of gravity at the proper point.

Ordinarily, pilots keep the fuel transfer switch on automatic so mechanical devices do the balancing for them during flight. However, the source said, the B-1 had the fuel transfer switch at the manual position so that the pilots could do the fuel transfers precisely during the series of tests.

The men they studied were at the extreme of sexual orientation. Since puberty, their sexual fantasies and activities had involved only other men or had been exclusively heterosexual.

The researchers said there was a need for future studies involving larger groups of homosexual and heterosexual men and women.

is co-chairman of the presidential campaign of Walter F. Mondale, the Democratic candidate, produced statistics of his own that he said showed government spending on programs for the poor had been cut by more than \$16 billion — although he did not specify over what period — and that real income of the poor had dropped since 1980.

Mr. Stockman was addressing a meeting of the House Ways and Means subcommittee, called by Representative Charles B. Rangel, a Democrat of New York. It was before that subcommittee that Mr. Stockman promised last November that the poverty rate would "decline dramatically in 1983."

On Thursday, Mr. Rangel, who

had been accused by the military of shoddy workmanship.

The Pentagon has stopped accepting missiles made at the Hughes plant in Tucson, Arizona, which has withheld \$37.8 million in payments for July and has not acted on a request for August payments. The recommendation Thursday called for the release of 50 percent of the withheld payments by Oct. 1.

He said the poverty rate for the elderly declined slightly between 1982 and 1983 and held even for families headed by women. At the same time, it increased moderately for young single persons and households headed by men, two categories that depend almost entirely on a growing economy for increased income.

LOS ANGELES — Air force officials are satisfied with Hughes Aircraft Co.'s efforts to solve workmanship problems on missiles and have recommended that the Pentagon resume millions of dollars in monthly payments that were cut off last month.

Three of six divisions of Hughes, the Pentagon's largest supplier of missiles, radar and high-technology equipment, had been accused by the military of shoddy workmanship.

The Pentagon has stopped accepting missiles made at the Hughes plant in Tucson, Arizona, which has withheld \$37.8 million in payments for July and has not acted on a request for August payments. The recommendation Thursday called for the release of 50 percent of the withheld payments by Oct. 1.

He said the poverty rate for the elderly declined slightly between 1982 and 1983 and held even for families headed by women. At the same time, it increased moderately for young single persons and households headed by men, two categories that depend almost entirely on a growing economy for increased income.

LOS ANGELES — Air force officials are satisfied with Hughes Aircraft Co.'s efforts to solve workmanship problems on missiles and have recommended that the Pentagon resume millions of dollars in monthly payments that were cut off last month.

Three of six divisions of Hughes, the Pentagon's largest supplier of missiles, radar and high-technology equipment, had been accused by the military of shoddy workmanship.

The Pentagon has stopped accepting missiles made at the Hughes plant in Tucson, Arizona, which has withheld \$37.8 million in payments for July and has not acted on a request for August payments. The recommendation Thursday called for the release of 50 percent of the withheld payments by Oct. 1.

He said the poverty rate for the elderly declined slightly between 1982 and 1983 and held even for families headed by women. At the same time, it increased moderately for young single persons and households headed by men, two categories that depend almost entirely on a growing economy for increased income.

LOS ANGELES — Air force officials are satisfied with Hughes Aircraft Co.'s efforts to solve workmanship problems on missiles and have recommended that the Pentagon resume millions of dollars in monthly payments that were cut off last month.

Three of six divisions of Hughes, the Pentagon's largest supplier of missiles, radar and high-technology equipment, had been accused by the military of shoddy workmanship.

The Pentagon has stopped accepting missiles made at the Hughes plant in Tucson, Arizona, which has withheld \$37.8 million in payments for July and has not acted on a request for August payments. The recommendation Thursday called for the release of 50 percent of the withheld payments by Oct. 1.

He said the poverty rate for the elderly declined slightly between 1982 and 1983 and held even for families headed by women. At the same time, it increased moderately for young single persons and households headed by men, two categories that depend almost entirely on a growing economy for increased income.

LOS ANGELES — Air force officials are satisfied with Hughes Aircraft Co.'s efforts to solve workmanship problems on missiles and have recommended that the Pentagon resume millions of dollars in monthly payments that were cut off last month.

Three of six divisions of Hughes, the Pentagon's largest supplier of missiles, radar and high-technology equipment, had been accused by the military of shoddy workmanship.

The Pentagon has stopped accepting missiles made at the Hughes plant in Tucson, Arizona, which has withheld \$37.8 million in payments for July and has not acted on a request for August payments. The recommendation Thursday called for the release of 50 percent of the withheld payments by Oct. 1.

He said the poverty rate for the elderly declined slightly between 1982 and 1983 and held even for families headed by women. At the same time, it increased moderately for young single persons and households headed by men, two categories that depend almost entirely on a growing economy for increased income.

LOS ANGELES — Air force officials are satisfied with Hughes Aircraft Co.'s efforts to solve workmanship problems on missiles and have recommended that the Pentagon resume millions of dollars in monthly payments that were cut off last month.

Three of six divisions of Hughes, the Pentagon's largest supplier of missiles, radar and high-technology equipment, had been accused by the military of shoddy workmanship.

The Pentagon has stopped accepting missiles made at the Hughes plant in Tucson, Arizona, which has withheld \$37.8 million in payments for July and has not acted on a request for August payments. The recommendation Thursday called for the release of 50 percent of the withheld payments by Oct. 1.

He said the poverty rate for the elderly declined slightly between 1982 and 1983 and held even for families headed by women. At the same time, it increased moderately for young single persons and households headed by men, two categories that depend almost entirely on a growing economy for increased income.

LOS ANGELES — Air force officials are satisfied with Hughes Aircraft Co.'s efforts to solve workmanship problems on missiles and have recommended that the Pentagon resume millions of dollars in monthly payments that were cut off last month.

Three of six divisions of Hughes, the Pentagon's largest supplier of missiles, radar and high-technology equipment, had been accused by the military of shoddy workmanship.

The Pentagon has stopped accepting missiles made at the Hughes plant in Tucson, Arizona, which has withheld \$37.8 million in payments for July and has not acted on a request for August payments. The recommendation Thursday called for the release of 50 percent of the withheld payments by Oct. 1.

He said the poverty rate for the elderly declined slightly between 1982 and 1983 and held even for families headed by women. At the same time, it increased moderately for young single persons and households headed by men, two categories that depend almost entirely on a growing economy for increased income.

LOS ANGELES — Air force officials are satisfied with Hughes Aircraft Co.'s efforts to solve workmanship problems on missiles and have recommended that the Pentagon resume millions of dollars in monthly payments that were cut off last month.

Three of six divisions of Hughes, the Pentagon's largest supplier of missiles, radar and high-technology equipment, had been accused by the military of shoddy workmanship.

The Pentagon has stopped accepting missiles made at the Hughes plant in Tucson, Arizona, which has withheld \$37.8 million in payments for July and has not acted on a request for August payments. The recommendation Thursday called for the release of 50 percent of the withheld payments by Oct. 1.

He said the poverty rate for the elderly declined slightly between 1982 and 1983 and held even for families headed by women. At the same time, it increased moderately for young single persons and households headed by men, two categories that depend almost entirely on a growing economy for increased income.

LOS ANGELES — Air force officials are satisfied with Hughes Aircraft Co.'s efforts to solve workmanship problems on missiles and have recommended that the Pentagon resume millions of dollars

INTERNATIONAL HERALD TRIBUNE

Published With The New York Times and The Washington Post

Africa Needs Help Now

The global recession is over for most of the industrial world, but not for Africa. In the vast sweep of poor nations south of the Sahara, anemic levels of output and income continue to fall. A drought of historic severity, the worst of this century in parts of eastern Africa, explains only a part of the crisis.

A new analysis by the World Bank concludes that these desperate societies need dramatic internal reforms and sharp increases in aid. Without both, there looms the "specter of disaster." The bank's report will be presented to the annual meeting of its 147 member countries that starts on Monday. But American officials are grumbling that the member that can help the most is already doing enough.

Emphasizing that foreign help, no matter how great, cannot alone reverse the trend, the bank observes that development in most of the region is hobbled by unstable politics, frail economic institutions, unmanageable population growth and misdirected governmental action.

The suffering has been compounded by forces over which the countries have no control — drought and depressed prices for commodities on which they depend for income.

Washington has shown due concern for the drought. In March President Reagan asked Congress for \$30 million for emergency food aid and got \$150 million. Last month he re-

quested \$50 million to store food overseas and deliver it quickly to the poorest countries.

But Congress has balked at the president's request for a five-year, \$500-million "economic policy initiative" to reward reform of bureaucratic marketing systems that depress food production and increase dependence on imports. This worthy plan is blocked by Senator Robert Kasten, chairman of the subcommittee for foreign aid appropriations, who says the administration already has enough flexibility and does not need more money. This resistance leaves Washington applauding the World Bank's interest in reform but in no mood to hear its appeal for more money.

The bank estimates that Africa's 39 developing countries need \$2 billion more each year than aid-giving countries and agencies now provide. That would be a 25-percent increase, of which the United States would be expected to contribute at least \$400 million. The bank would create a special fund to disburse the extra aid only in support of major reforms, but it has yet to present a detailed plan.

The administration and Congress should suspend skepticism and give the coming proposal closer study. Neglect of Africa's destitute millions will mean more suffering and the need for a still costlier rescue on another day.

— THE NEW YORK TIMES

Another Bomb in Beirut

Another bomb has exploded at an American facility in Beirut, claiming at least six lives, including two Americans, and adding an unnecessary reminder of the chaos and violence that pervade Lebanon still. Security precautions limited the damage somewhat, but, as Secretary of State George Shultz correctly observed, any American embassy must have a flow of people in and out, and that leaves some irreducible level of danger. We have great respect for those Americans in the diplomatic corps and other civilian agencies who serve abroad literally at their peril.

But what is to be done about this intolerable situation in which one American installation after another in Lebanon is targeted by terrorists whose patience and taste for martyrdom confer a deadly advantage? Are they Shiites? Iranians? Is there a Libyan or Syrian hand? In their invisibility and their menace, it scarcely matters as long as the assaults go on.

President Reagan defines the enemy as a "worldwide terrorist movement," as if it were ubiquitous and so sinister that to think of avoiding its sting at any specific location were beside the point. There can be said to be such a "movement," but it is not the enemy in Leba-

non. The enemy there is a condition of disintegration begun by the PLO and advanced by many others, which gives full play to the local killers. Perhaps it is time to remove the residual official American presence from their reach.

We cannot "crawl into a hole somewhere and stop performing," Mr. Reagan adds. That is an unfortunate formulation. The honorable mission that he set out to perform two years ago — to help put Lebanon back on its feet after the Israeli invasion — has gone by the wayside. Perhaps he is reluctant to take a step that might be portrayed in the political campaign as an admission of failure in Lebanon or as a retreat from "standing tall." But the inability to find, let alone punish, those responsible for past attacks, and to prevent further attacks, exacts a toll on American prestige.

There need be no shame in the evacuation of noncombatants from a war zone, least of all from a place where, as in Beirut, the outer perimeter of the embassy annex that was bombed was guarded not by the army of the host country, which is not up to the task, but by mercenaries from one of the local private militias. American diplomats deserve better.

— THE WASHINGTON POST

Unfree Trade in Steel

President Reagan's plan to reduce steel imports by forcing other countries to accept negotiated restraints is a masterly solution to his political problem. The reduction sought, from 25 to 20 percent of the American market, should be enough to silence union and industry criticism of the administration, undercutting Walter Mondale's appeal in the Rust Belt. Yet the choice of "voluntary" curbs on countries accused of unfair competition is likely to diffuse criticism of the steel industry by U.S. consumers who oppose formal import quotas.

And these import restraints will aggravate America's economic problem. They will cost consumers billions and reduce the competitiveness of U.S. manufacturers dependent on steel. They will do little to halt the decline of America's big, integrated steel makers.

Some sort of election-year restraints seemed to be inevitable once an independent government agency ruled in June that the domestic steel industry had been injured by imports. There was some spirited opposition from steel users; the Caterpillar tractor company, for one, threatened to move plants and jobs overseas if its steel prices were deliberately raised.

But much of the opposition was diverted by competing interests. American banks, which understand how important it is to the industrializing countries to export steel in order to service their debts, were more immediately

concerned about the pending legislation to regulate their own business. America's auto manufacturers, the largest consumers of steel, and their unions were in effect damaged by their comparable desire to curb auto imports. That left the defense of open trade to intellectually sophisticated but politically weak bureaucracies in the State Department and the office of the special trade representative.

Balancing its political interests against its free market principles, the White House

strained to find a "middle" course. It says it will aim to cut "unfair" imports from South Korea, Spain and Brazil but will spread some of the burden to efficient Europe and Japan. But whether negotiated or imposed, its target for imports would raise steel prices by 6 to 7 percent, adding more than \$3 billion a year to the price paid by American consumers.

Mr. Reagan might have done worse; he had the authority to reduce imports to 15 percent instead of 20, and to do it by quota, compounding the inefficiency by rigidly assigning sales to individual countries. But the decision is grim enough. President Carter organized an informal worldwide cartel in automobiles that survives to this day. Now Mr. Reagan has done the same for steel. Welcome to the world of "managed trade," in which consumers lose at once and everyone loses eventually.

— THE NEW YORK TIMES

Other Opinion

Terrorism: No UN Remedy

The carnage wrought in East Beirut is yet another reminder of the growth of state-sponsored terrorism, and just how difficult, almost impossible, it is to combat. The United Nations is, of course, totally useless in dealing with the problem, if only

because its membership includes terrorist states. There has been much talk of securing more international cooperation among the major civilized powers and it was discussed at the London economic summit. But any formal agreement or convention drawn up would probably still be ineffective.

— The Daily Telegraph (London).

FROM OUR SEPT. 22 PAGES, 75 AND 50 YEARS AGO

1909: Closer U.S.-China Ties Urged

1934: Honsin Typhoon Kills 2,000

TOKIO — Roaring in from the Pacific with terrific violence, a typhoon followed by tidal waves struck the main island of Honsin [on Sept. 20] at Daimonji by the American-Asian Association for Mr. Charles R. Crane, the American Minister to China. A letter was read from President W.H. Taft, who wrote that "Mr. Crane carries with him a spirit of friendship toward the great Middle Kingdom and her people and an interest in their development which correctly represents the feeling of our Government and our people toward China." Mr. Crane said that his diplomatic work would be based on Mr. Taft's own public words: "I go under the simplest form of instructions to carry out the spirit of Mr. Taft's Shanghai speech, with profound respect for and great confidence in the Chinese people."

Advocacy of closer relations between the United States and China was the keynote of the speeches at a dinner given [on Sept. 20] at Daimonji by the American-Asian Association for Mr. Charles R. Crane, the American Minister to China. A letter was read from President W.H. Taft, who wrote that "Mr. Crane carries with him a spirit of friendship toward the great Middle Kingdom and her people and an interest in their development which correctly represents the feeling of our Government and our people toward China." Mr. Crane said that his diplomatic work would be based on Mr. Taft's own public words: "I go under the simplest form of instructions to carry out the spirit of Mr. Taft's Shanghai speech, with profound respect for and great confidence in the Chinese people."

INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1958-1982

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEWIS HUEBNER, Publisher

PHILIP M. FOISIE Executive Editor
WALTER WELLS Deputy Editor
ROBERT K. McCABE Deputy Editor
SAMUEL A. GALT Associate Editor
CARL GEWIRTZ Associate Editor

RENEE BONDY Deputy Publisher
ALAIN LECOUR Associate Publisher
RICHARD J. MORGAN Associate Publisher
STEVEN W. CONNOLY Director of Operations
FRANCOIS DEMASSEZ Director of Circulation
ROLF D. KRANEPUHL Director of Advertising Sales

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Telephone: 747-1263. Telex: 612718 (Herald). Cable: Herald Paris.
Directeur de la publication: Walter N. Thayer.
Asia Headquarters, 24-34 Nenezey Rd., Hong Kong. Tel. 2-85618. Telex: 61170.
Managing Dir. U.K.: Robin MacKichan, 63 Long Acre, London WC2. Tel. 834-4802. Telex: 265009.
S.A.: capital de 1,200,000 F. RCS Nanterre B 73202126. Commission Particulière No. 3423.
U.S. subscription: \$280 yearly. Second-class postage paid at Long Island City, N.Y. 11101.
© 1984, International Herald Tribune. All rights reserved.

United Nations: Self-Criticism Might Help

By Flora Lewis

PARIS — There have been about 150 wars in the world since the United Nations was founded in 1945 to keep the peace among nations. The forces of all five nuclear powers have fought, but not against each other. Now, as the annual General Assembly gathers, complaints about its impotence are widespread.

Former Secretary-General Kurt Waldheim says in the current issue of Foreign Affairs that the United Nations "threatens to become increasingly irrelevant in the real world. Its vitality is being sapped." He scolds those in the Third World who logroll the adoption of extremist resolutions that can achieve nothing. "Not healthy," he says. He scolds the major powers because "the habit of international cooperation is waning" through their neglect or adamance.

The real problem, Mr. Waldheim notes, is the contradiction in the charter between the organization's first purpose, "to maintain international peace and security," and its first principle of "the sovereign equality of all its members." That means not only one nation, one vote, but also that the United Nations has no real authority.

It was a problem recognized by the founders when they discussed the veto power in the Security Council and tried unsuccessfully to establish a standing peacekeeping force. They saw that the United Nations would be able to resolve disputes effectively only if the big powers agreed. Otherwise nobody could knock heads together.

The Cold War and the generalized East-West conflict that soon developed ruled out much chance of major-power accord. But that was not the only cause of paralysis.

Fifty-one nations were represented at the San Francisco organizing conference. Now there are 158 members, of which 32 have fewer than a million citizens. No one foresees the tremendous proliferation of independent states.

The charter was at least partly to blame. It promises of "sovereign equality," its catchet of conferring national legitimacy as a member of the international community with a reserved seat in the hall and a flag on First Avenue, rewarded fragmentation of the world.

As decolonization progressed, several federations were established by departing imperial authorities in an attempt to make new countries viable. They all broke down. A UN place in the sun was prized beyond development capacity.

There have been attempts to repair some of the damage with regional organizations. But these are too feeble, not real substitutes for political links. Only Western Europe, which spawned the nation state, realized the dangers of excessive nationalism. It created the European Community — but did not achieve larger aims of unification. The new countries plunged into the rage of nationalism, even as it does today when we sit in a fragmented minority.

In the early years, the decolonization process we helped to launch touched off an avalanche of new nations that changed the political makeup of the world and, inevitably, that of the United Nations. We failed to come up with a policy that could cope with that.

Today, new superpower tensions are layered over old ones, and we have reason to be disappo-

tioned with the experience of the furies nationalism can unleash. But reversing direction is also more necessary in a real world grown immensely more complex, interdependent and dangerous. Multilateral initiatives are unavoidable.

On its 40th anniversary next year, the United Nations should call a special conference on charter review to seek some palliatives to the disorder that the original error provoked.

It is unrealistic at this stage of human contrariness to expect microdot countries and the lords of empty lands to coalesce and renounce their sovereign titles. Nor can the age-old recipe of conquest be allowed to consolidate societies.

Many ideas have been proposed for new UN voting formulas to give weight to population and

economic substance, as well as to independence, so that the world organization would bear some resemblance to the real map of the world. None are likely to win support from small countries. Big ones have become tougher than ever about protecting their prerogatives, as they see the small ones gangling up for narrow interests.

So a review of the charter could not be expected to produce a magic transformation that would give the United Nations a new chance in life. But it could focus attention on the problems of functional ineffectiveness and bureaucratic sterility, which are also a result of the idea of giving every member state a fair share of secretarial jobs. Acknowledging faults is the first step to finding a correction. At least it would be better for the United Nations to have a good go at self-criticism than to continue in decay and disdain.

The New York Times

Reagan Can Afford to Be Serious

By George F. Will

WASHINGTON — Ronald Reagan's re-election campaign is stepping so high that the mind reels off into paradoxes, including these two: Mr. Reagan is soaring because he has restored trust in that which he distrusts — government; and he is exactly in tune with the mood of the moment, which is liberal.

Fate has played Mr. Reagan the trick of causing him the scourge of government, to rehabilitate it. The ugly truth must be faced: When folks feel good about their country, some of the feeling spills over and attaches to the institutions of community life, the expression of collective effort — the government. There are 80,000 governmental units in the Republic, but one sets the tone — the one Mr. Reagan has. And contentment with the presidency is spreading and contaminating all of public life.

It was especially reckless of him to reduce inflation. In the last decade inflation became considered the principal domestic problem, and government was considered the principal cause of inflation. Inflation was the main reason why, just two years ago, three-quarters of those questioned in one reliable poll said that government causes more problems than it solves. The taming of inflation, for now, has removed the irritant in the public's eye regarding government.

The public's liberalism, and Mr. Reagan's benefit from it, is less apparent but even more important, and explains why the Reverend Jerry Falwell's favorite candidate is overwhelmingly the favorite candidate of voters aged 18 to 25.

Eighty years ago Henry James defined journalism as the science of beating the sense out of words. It certainly has done so to political labels. But it is no mere semantic quibble to insist that the essential aim of liberalism, and the central liberal value, is the maximization of individual choice. And that is the feeling — the aura — produced by the president's achievement, rapid economic growth.

The liberal aspects of the Reagan program — opposition to abortion, and perhaps support for school prayer — have received attention disproportionate to their importance to the electorate. The Supreme Court, not the executive branch, has custody of issues involving abortion and church-state relations. With five justices in their late 70s, a president can make a big difference on the court, but that's a contingency too remote to be controlling on the minds of many voters.

The conservative temperament is, at bottom, incorrigibly skeptical of the ability of human plans to eliminate the railing bumps from the road of life. But Mr. Reagan is infectiously serene about the evaporation of deficits and all other limiting facts, painlessly, under the heat of economic growth. He seems to imagine that business cycles have been banished.

Recently Mr. Reagan told an audience that Americans should avoid "hedonism." It was an enchanting moment, involving a word not usually featured in American politics. Arguably Mr. Reagan, by denouncing the incontinent pursuit of pleasure was striking at the American Way of Life. Certainly his pose as Contra Mother — the man for the era of good feelings.

But he also should be a man of some public thinking. He should soon pick a serious forum for a serious speech about the future — not another speech celebrating optimism or God or Grand Ole Opry or the last four years. So far his campaign has set a tone, which is fine, but a tone is not a song and can be, more than anyone in modern memory, the nation's singer — the presenter of a vision. However, he must do it now.

When he becomes a four-year lame duck he will have only the momentum built in the next six weeks. If his mandate is merely not to be Walter Mondale, his term will be sterile. Twenty-two Republican senators face re-election in 1986. His party will be fractious and distracted. If he just coasts to victory, as he can, he will lack the weight to hold his party's attention. So an October campaign of more rhetorical risk would be an act of grace — an unforced policy of statesmanship.

The Washington Post

Letters intended for publication should be addressed "Letters to the Editor" and must contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

LETTERS TO THE EDITOR

And Now Abandon War

JAN TINBERGEN's column "Today's Arms Game Needs Modern Rules" (Sept. 8) recalls Albert Einstein's words in 1946: "The unleashed power of the atom has changed everything save our modes of thinking, and we thus drift toward unparalleled catastrophes." Unorthodox thinking is a challenge, not an impossibility.

Fast civilizations have abandoned human sacrifice, the belief that the Earth was flat, slavery. Now war must be abandoned. Advances in technology have made war obsolete as a tool to resolve conflict. I believe the human mind is capable of finding peaceful means to settle differences.

DIANA MANN.
Hartlepool, England.

The Issue Is Genocide

Regarding the editorial "Reify the 1948 Treaty" (Sept. 15):

Once again Senator Jesse Helms of North Carolina has created an amazing muddle in his attempt to block

legislating does so as well, in which case he should look for another job.

The issue at hand is genocide, not "sovereign independence" and the sooner a window is opened on the darkness of Senator Helms's snub, and the U.S. Senate gets clear about its responsibilities with regard to human rights, the better.

VICTORIA A.A. KAMSLER
Oxford, England.

El Salvador's Difference

Regarding the opinion column "Only If Duarte Can Run, El Salvador's Own Show" (Sept. 8):

**Reagan Can
Afford to
Be Serious**

By George F. Will

WASHINGTON — Ronald Reagan's re-election campaign is so high that the mind and the paradoxes, including those of his supporters, are soaring because Mr. Reagan is soaring because he has won trust in that which he represents — government; and he is in tune with the mood of the nation, which is liberal.

It has played Mr. Reagan the role of causing him, the scourge of conservatism, to rehabilitate it. The truth must be faced: When folks care about their country, some foolish spills over and attaches themselves to community organizations of collective effort — government. There are 80,000 governmental units in this Republic, one sees the tone — the one Mr. Reagan is having. And contentment with society is spreading and covering all of public life.

It was especially reckless of him to do this.

In the last decade

he has become considered the pre-

domestic problem, and govern-

ment was considered the principal

cause of inflation. Inflation was the

reason why, just two years ago,

quarters of those questioned a

viable poll said that govern-

ment caused more problems than a

recession. In the last decade

he has removed the irritant in the

eye regarding government,

public's liberalism, and Mr.

Reagan's benefit from it, is less ap-

pealing even more important, and

why the Reverend Jerry Falwell

favorite candidate is now

the only favorite candidate

aged 18 to 26.

Fifteen years ago Henry James de-

scribed journalism as the science of

the sense out of words it

has done so to political life,

but it is no mere semantic quibbling

that the essential aim of

democracy is the central liberal ideal

of the maximization of individual

freedom. And that is the feeling — de-

— produced by the president's

enthusiasm, rapid economic growth,

liberal aspects of the Reag-

an — opposition to abortion,

whose support for school prayer

and received attention due

to their importance to the

state. The Supreme Court, an

executive branch, has cast off

involved abortion and church

separations. With five justices in

the 70s, a president can make

changes on the court, but this

is too remote to be con-

cerned on the minds of many who

are conservative temperament

now, incorrigibly skeptical

of the role of human planning in

ensuring a lasting bumper crop

But Mr. Reagan's enthusiasm

about the expectation of

all other limiting factors

under the heat of evidence.

He seems to imagine as

as cycles have been punctuated

by Mr. Reagan's judgment

that Americans should not

worry. It was an amazing

statement involving a world not

based on American politics, to

Mr. Reagan, no determined

opponent pursuit of peace

at the American Way.

Certainly his power does

not singularly emanate

from President Monroe —

in the era of good feelings

he also should be a

public thinking. He has

such a concern for the

future — in speech celebrating

the Grand Old Party of

years. So far his campaign has

been which is still far ahead

and he can be involved

in modern politics, in a

new chapter — the present.

However, he may be a

he becomes a force and

he will have only the

best at the next election. If

he is matched with the

other Rep. John Jen-

nings and distanced. His

ability to compete in general

will lack the ability to be

potential. So far he has

more potential and a

more emotional and

art of grace — in his

statements.

The new Olivetti personal computers are hardware

and software compatible with the universally

acknowledged industry standards. But it doesn't finish

here. They are quicker in processing words, numbers

and even graphics with a crisp higher resolution image.

A range of models with greater expandibility to provide

you with the right power at the right moment. And

which also integrate into communication networks to

evolve together with your organisational needs.



BEYOND COMPATIBILITY

The new Olivetti personal computers are hardware and software compatible with the universally acknowledged industry standards. But it doesn't finish here. They are quicker in processing words, numbers and even graphics with a crisp higher resolution image. A range of models with greater expandibility to provide you with the right power at the right moment. And which also integrate into communication networks to evolve together with your organisational needs.

You may not know anything at all about the new Olivetti personal computers, but they already know you,

your problems and the best solutions.

Because within Olivetti's new personals is concentrated all the know-how of the leading European company in information technology — knowledge and experience built through contact with thousands of European companies and professionals, day-in, day-out.

Know-how that takes into account their needs, their habits, and their expectations when preparing solutions.

Olivetti personal computers made in Europe. The alternative.

Please mail this coupon to the Olivetti representative nearest you.
NAME _____
ADDRESS _____
CITY _____
TELEPHONE _____

ARTS / LEISURE

The Genius of 'Douanier' Rousseau: From Naïf Awkwardness, a Mastery

By Michael Gibson

International Herald Tribune

PARIS — Henri Rousseau, called "Le Douanier" (1844-1910), is widely referred to as a naïf, although many art historians disapprove, because, they argue, it too easily dismisses of the peculiar and artistically serious quality of Rousseau's work. The Parisian public has an opportunity to make up its mind, thanks to a show of 65 paintings at the Grand Palais until Jan. 7. It will be at the Museum of Modern Art in New York Feb. 5-June 4.

The term naïf does, in fact, distort the reality of Rousseau's odd appropriations in the second half of the last century. But what are you to make of a fellow who solemnly told Picasso: "We are the two great painters of this age, you in the Egyptian manner and I in the modern." The man was, in many respects, an innocent.

But there is a factor one tends to ignore that makes Rousseau's oddities somewhat more intelligible. His father ran a modest hardware store in the city of Laval, and young Henri, who had drawn a lucky lot and been exempted from military service, began working for an attorney at the age of 19. He pilfered about 20 francs worth of stamps and loose change, however, and hastily enlisted in the infantry for seven years.

It was during this stint that he

met some soldiers who had returned from the expedition that failed to save Emperor Maximilian in Mexico, and the souvenirs they gave him allowed him to claim later that he had been there himself. Guillaume Apollinaire subsequently labored hard to create a legend around Rousseau, and much of the misinformation that is still current can be traced to him.

After leaving the army Rousseau became an exciseman collecting dues on merchandise being brought into the city of Paris. So he was, in fact, not a *douanier*, a customs officer, but a *gabelou*, a collector of taxes.

This life he felt to be mediocre, and that clearly why he tried to brighten it up with a few harmless fibs, but he also wanted to improve himself socially in the early days of the Third Republic, where social mobility became conceivable to people of modest origins, and Rousseau's path to respectability lay in painting.

Painting, however, in this period, implied "realism" and "perspective" and a lot of primitive fossilized craft that Rousseau had not had the opportunity of acquiring. The painters he admired, at the outset at least, were the academic artists now referred to as *pompiers* — such as Adolphe Bouguereau and Jean Léon Gérôme. But he did not have their talent for idealized realism. Instead "emotion plays the role usually assumed by craft," said Pissarro, who admired him.

What Rousseau did have was an extremely strong motivation to give an unsuccessful life some luster, not only by improving on the truth or telling outright lies, but also by being noticed in a field of activity that enjoyed special prestige in his view.

He became a painter with the splendid talent for creating scenes of monumental force and dreamlike persuasiveness in which odd details intrude without in any way

disturbing the breathtaking nobility of the scene. In "The Sleeping Gypsy," for instance, the gypsy must have about 64 teeth behind her dreamily smiling lips.

But these bizarre points, which account for the sense of "naïveté," contribute to the overall effect and aura of his art. In a sense Rousseau is much more deeply in the right than his more sophisticated contemporaries because, although he is obviously tributary to the reigning cultural notions of his age, he does not indulge in the cultural game that the better adjusted artists can so well play. Instead he devotes himself to the dreams and visions that it is art's business to materialize.

What seems odd in his work also derives from the fact that he emerged from a cultural world that was socially very modest and that he attempted, with earnest awkwardness, to behave in the way that someone of his class could imagine cultured people behaved.

But he had tremendous pride — he was also inclined to purple fits of stubborn fury — and was no doubt aware at times that his situation was a bit incongruous.

Here, as elsewhere, there was a constant ambiguous play between reality and make-believe. In 1908, two years before his death, Picasso and his friends (including Rousseau's defender Apollinaire, Marie Laurencin and Georges Braque) organized a "banquet" in his honor at the Bateau-Lavoir. The thing was done as a joke, but Rousseau accepted the malicious homage with solemn dignity.

One may find some of the smaller works in the exhibit, especially some portraits and views of cities, rather oppressive, but the art theorist finds them rewarding because he can explain how Rousseau, unintentionally, happened to be working along the lines of the major professional modernists of his day. Cézanne was doing strange things with traditional perspective and so was Gauguin, for example.

So was Rousseau. But he did it because he had failed to achieve the effects of perspective that various manuals taught.

The large jungle pictures, on the other hand, are magnificent, spacious, luminous, colorful, transparent and obscure — a true dream world. They are surprisingly close to the "naïve" bestiary and botany of the French cathedrals, though Rousseau actually sought inspiration in illustrated magazines. They mostly belong to the period after the turn of the century when Rousseau was already meeting the future



Henri Rousseau, self-portrait (detail), done in 1890.

great figures of modern art. But some of his most imaginative work — "Surprised!" (1891), "War" (1894) and "The Sleeping Gypsy" (1897) — belong to the preceding century. They show the sort of daring in the use of color that Emile Bernard and Gauguin had discovered in 1888 and that the Fauvists, among whom Rousseau showed his work, would carry to its logical limit.

In these works he gives up the starchy but idiosyncratic attempts at perspective and launches into big lyrical canvases of imaginary rain forests that every child — and the child in each of us — can instantly recognize. The colors are admirably rich and strong, the light transparent and darkly mysterious.

Rousseau is not a strange meteor fallen from an idiosyncratic heaven. He was a self-taught artist, which preserved him: during his lifetime from the conformity and recognition he dearly yearned for. But he was also a product of his age: a man of modest origins whose ambition ranged beyond the ability of his talent and who was saved from failure by his odd genius. As a result Rousseau appears today as incarnation of the paradox of art, nursing awkwardness to the height of mastery, and a life of material failure into lasting success.

A Sculptor's Struggle in the Public Arena

By William Wilson

Los Angeles Times Service

SOUTH BRUNSWICK, New Jersey — In August, ground was broken in San Francisco for a public sculptural memorial to the Jewish Holocaust, to be installed near the California Palace of the Legion of Honor Museum. The monument, scheduled to be unveiled in November, depicts a pile of corpses sprawled behind a barbed-wire fence. A single mournful figure stands staring from behind the barrier.

The work is by George Segal, a leading American sculptor who came to prominence in the 1960s making plaster figures, cast from life and assembled in tableaux of everything from go-go girls to lonely coffee drinkers in diners.

A critically acclaimed traveling retrospective in 1979 cleared any doubts as to Segal's place in the pantheon of contemporary masters of gallery and museum art. After that accolade, the artist could have rested securely in the somewhat rarified realm of curators, critics, collectors and artists. Instead, he ventured into the dicey domain of public sculpture. There, unprotected by institutional imprimatur, art is subject to political pressure and the values of mainstream society, not to mention physical abuse. Segal took to making bronze versions of his vulnerable plasters.

Nothing but trouble ever since.

Actually, Segal's occasionally antagonistic relations with the Establishment go back at least to 1973. That year an Israeli foundation invited him to make a monument. Segal used two male figures to retell the story of Abraham and his son Isaac. In the Old Testament story, God orders Abraham to prove his faith by sacrificing his son. Segal's version shows Isaac kneeling before his father, who is armed with a knife. The work was rejected when officials feared it would be interpreted as symbolizing the older generation sacrificing the younger in Israel's wars.

In 1978, Segal offered a second version, "In Memory of Kent State, May 1970," to a private art foundation commissioning a memorial to the students slain by National Guardsmen at Kent State in 1970. After a considerable wrangle, it was rejected by the Ohio university.

Segal will be 60 this year but still has a puckish countenance made slightly seraphic by a halo of wiry gray hair. He is calm and casually dignified, except when confronted by paradox or absurdity, which ignites an elfin grin.

"My father was a microcosm of the intellectual climate of the day,



Sculptor Segal: "A utopian idealist streak."

He was a kosher butcher with socialist leanings, and a Zionist. He came out here from New York like a number of Jewish families and established a chicken farm. For a while, there was a co-op farm where they tried to combine capitalism and communism. The idea was to train Zionist farmers to till the land in an Israel that did not then exist. In a way, it was the beginning of the kibbutz. I worked on the chicken farm with my dad. When I married my wife, Helen, we started our own farm across the street. We've been married for — I think it's 38 years. Our friends say we are dimwits.

"Helen and I have always worked together. She worked the farm with me. I hated farming. I went to art school. For a while after college I taught junior-high-school English. When I could finally give up farming and devote all my time to art, I converted the chicken coop into a studio. Come and take a look."

A meandering building descends a hill from the driveway. It's 30 feet wide and 300 feet long (9 meters by 90 meters).

"Take a look inside. There are quite a few pieces. Since I started working in bronze, I try to keep as

many original plasters as possible. I limit the edition of bronzes in the Freneb style, to only six or seven casts.

"Most of my teachers and the artists I admired most in the early

years were Abstract Expressionists. I knew Pollock and De Kooning and went to the Cedar Bar and meetings at the Club. They tried to influence me to jump on the bandwagon of abstraction. I admired the personal intensity of their beliefs, but their art just shut out too much of the real world for me. I wanted to reintroduce subject matter on a higher literary level.

"The whole issue of expressive freedom in public commissions versus private gallery showings is subtler and more paradoxical than their stereotypes. When I submitted the Abraham and Isaac to Kent State, the university president asked me to do a soldier with a flower child putting a blossom into his rifle barrel. I was appalled at his interference with artistic free expression and his sophomore thinking. When I refused, he called me a 'disobedient young man,' as if the artist were his servant. He said the implications of the Abraham version were violent. I see them as gentle and philosophical.

"On the other hand, most com-

missioners are not philistines but artistically sophisticated people. Art galleries that are supposed to be bastions of commercialism can turn out to be the last refuge of free expression. For example, it is easier for me to deal with religious or philosophical themes in a gallery than in a synagogue.

Ever since the '60s, "art and technology" movement artists increasingly want to be accepted into the larger community, Segal said. "A critic like Hilton Kramer doesn't think it's possible for an artist to satisfy popular taste and also maintain high standards. I think it is possible. I don't like competing for commissions because sometimes I am up against my best friends, but I do it. I confess to a utopian idealist streak. I've had many abstract artist friends who were idealistic. They joined movements and went on peace marches, but those ideals were carefully shielded from entering their work. I see no harm in trying to knit your life into one piece."

"Making a work takes weeks or months. I scrutinize it hard for hundreds of hours and adjust it to get the right philosophical nuances. I read. I read eight books on the Holocaust doing that work. For Kent State, I reread Kierkegaard and went down there and talked to people. Do you know I met people who thought that more students should have been killed? 'To teach them a lesson,' they said. Can you believe that?"

By this time, Segal had strolled into the last studio of the endless chicken coop. It contains the Holocaust plaque. The piled "corpses" fall into a variety of attitudes suggesting sleep, protectiveness or agony. One prominent nubile female figure has overtones of orgasm. "It represents my own convictions about the Holocaust. A majority committee of 40 in San Francisco chose it in a competition as also representing their yearnings. The people commissioning it represent the survivors in San Francisco, where there are more than 2,000 people who were in the camps. They combined with representatives of the established Jewish community that goes back to Gold Rush days and some sympathetic non-Jews, mostly from the art sphere."

"I think it is important because the killing was so efficient, so terrifyingly effective and impersonal, all because of 20th-century technology. Anxiety about genocide to me is exactly like today's fears about a nuclear holocaust. Both are 20th-century problems that demand attention."

Greek Nudist Camps to Open

The Associated Press

ATHENS — The Greek National Tourist Organization has announced that eight nudist resorts will open next summer. The resorts will be on the Aegean islands of Mykonos, Antiparos, Andros, Sifnos and Milos, the wooded Pelion region near the central Greek port of Volos, at Ermioni in southern Greece and on the Ionian island of Zakinthos.

The set of live performances, called "Elvis Presley — a Golden Celebration," includes a recording

of the performance Presley gave on television's Ed Sullivan Show in 1956 — a performance that brought the 21-year-old Presley to national attention.

The four albums to be released in mono are "Elvis Presley," the 1956 album that includes "Blue Suede Shoes;" "Elvis," also from 1956; "Elvis Golden Records," the 1958 album with "Jailhouse Rock" and "Love Me Tender," and the 1959 album "50,000 Elvis Fans Can't Be Wrong."

New Opel Kadett. Human Technology.

The new Opel Kadett was designed and built with one person in mind:

You.

We analyzed your driving needs and habits. We tested your field of vision. We simulated the movements of your arms and legs over and over again. We measured your body and its

different positions while you drive.

All this data fills miles of computer print-outs. We made it the foundation for a car that has been literally built around you, from its conception and development all the way through its construction.

This is why the new Opel Kadett has more interior space. With instru-

ments that you can read at a glance and outstanding all-round vision.

With fuel economy that is improved by its aerodynamic design. And a new level of reliability.

You see, despite the progress of science and technology, we believe it means nothing unless we use it for your benefit.

This is why we call it Human Technology. It starts with you and it ends with you.

Drive one at your Opel dealer ship.

OPEL PROVEN PROGRESS

NYSE Most Actives									
Vol.	Highb	Low	Last	Chg	Stk	High	Low	Close	Chg
AT&T	3,656,176	7176	7094	+16	125	7214	7156	7156	+16
BTCX	2,102,214	2916	2716	+202	16	2916	2716	2716	+202
Petco	1,100	100	95	+5	100	100	95	95	+5
GEICO	1,052,724	2916	2716	+202	16	2916	2716	2716	+202
SEACO	1,042,911	1426	1326	+100	16	1426	1326	1326	+100
Wells	1,042,911	1426	1326	+100	16	1426	1326	1326	+100
IBM	1,038,748	7216	7156	+62	16	7216	7156	7156	+62
GMAI	1,038,748	7216	7156	+62	16	7216	7156	7156	+62
AT&T B	1,038,748	7216	7156	+62	16	7216	7156	7156	+62
AMT Corp	1,038,748	7216	7156	+62	16	7216	7156	7156	+62
FinCar	1,038,748	7216	7156	+62	16	7216	7156	7156	+62
USWest	1,038,748	7216	7156	+62	16	7216	7156	7156	+62

Dow Jones Averages									
Open	High	Low	Last	Chg	Stk	High	Low	Close	Chg
Indus	1214.55	1211.01	1197.00	+12.56	12	1211.01	1197.00	1197.00	+12.56
Trans	1204.55	1201.01	1187.00	+12.56	12	1201.01	1187.00	1187.00	+12.56
Util	1204.55	1201.01	1187.00	+12.56	12	1201.01	1187.00	1187.00	+12.56
Comp	474.26	461.31	460.00	+1.31	12	461.31	460.00	460.00	+1.31

NYSE Index									
Nish	Low	Close	Chg		Stk	High	Low	Close	
Composite	97.46	95.67	-1.80		12	95.67	95.67	95.67	
Industrials	112.27	111.48	-0.84		12	111.48	111.48	111.48	
Transport	112.27	111.48	-0.84		12	111.48	111.48	111.48	
Utilities	48.55	48.12	-0.32		12	48.12	48.12	48.12	
Finance	94.11	93.27	-0.84		12	93.27	93.27	93.27	

Fridays' NYSE Closing									
Vol. of 4 P.M.	Buy Sales	\$841,111			Stk	High	Low	Close	Chg
Prev. 4 P.M., vol.		120,243	2,000		12	120,243	2,000	120,243	
Total Issues		441	427		12	441	427	427	
New Issues		20	20		12	20	20	20	
New Lms		44	44		12	44	44	44	
Volume down		37,624,495	3,121		12	37,624,495	3,121	37,624,495	

AMEX Diaries									
Class	Prev.	Stk	High	Low	Close	Chg	Div.	Yld.	PE
Advanced	223	62	223	223	223				
Decimated	223	62	223	223	223				
Divided	223	62	223	223	223				
Ex-Divid.	223	62	223	223	223				
Total Issues	278	70	278	278	278				
New Issues	9	9	9	9	9				
Volume down	2,697,400								

NASDAQ Index									
Class	Chg.	Stk	High	Low	Close	Chg.	Div.	Yld.	PE
Composite	-2.42	642	2024	2024	2024	-2.42			
Industrials	-2.42	642	2024	2024	2024	-2.42			
Transport	-2.42	642	2024	2024	2024	-2.42			
Insurance	-2.42	642	2024	2024	2024	-2.42			
Services	-2.42	642	2024	2024	2024	-2.42			
Banks	-2.42	642	2024	2024	2024	-2.42			
Trans.	-2.42	642	2024	2024	2024	-2.42			

AMEX Most Actives									
Vol.	High	Low	Last	Chg.	Stk	High	Low	Close	Chg.
WenB	5215	5215	5215	0	12	5215	5215	5215	0
GRIC	5124	5124	5124	0	12	5124	5124	5124	0
PTN	5112	5112	5112	0	12	5112	5112	5112	0
PTN	5112	5112	5112	0	12	5112	5112	5112	0
Domtar	5082	5082	5082	0	12	5082	5082	5082	0
Cryo	5071	5071	5071	0	12	5071	5071	5071	0
BAT	5071	5071	5071	0	12	5071	5071	5071	0
WDSh	5071	5071	5071	0	12	5071	5071	5071	0
Kroger	5071	5071	5071	0	12	5071	5071	5071	0
Bonne	5071	5071	5071	0	12	5071	5071	5071	0

AMEX Stock Index									
High	Low	Close	Chg.		Stk	High	Low	Close	Chg.
216.88	215.47	215.47	0.00		12	216.88	215.47	215.47	0.00

NYSE Share Prices End Lower

Compiled by Our Staff From Dispatches

NEW YORK — Share prices closed sharply lower on the New York Stock Exchange in a late sell-off as investors expressed disappointment that major U.S. banks did not follow Morgan Guaranty's lead to a lower prime lending rate.

The Dow Jones industrial average, which moved lower at the outset of

A SPECIAL REPORT ON THE NORDIC COUNTRIES

Revival: Rising Exports, Lower Inflation

(Continued From Previous Page)
national budget have swollen disproportionately to the rise in industrial activity, resulting in increased government borrowing abroad and domestically.

However, there are signs that Nordic governments are coming to grips with the problem of balancing their budgets, notably in Denmark and Sweden where the problem has been the most pressing.

Denmark has shown GDP growth well above the OECD average over the last two years. In its combined economic report, the industry federations of the five Nordic countries forecast Danish GDP growth of 3.5 percent this year, compared with a 2.5-percent rise in volume in 1983.

"The relatively strong growth in the Danish economy is partly a result of the moderate international recovery and partly the consequence of a reorientation of domestic economic policy," the federations wrote.

The main priority of the four-party, non-Socialist minority coalition, which took office in September 1982, has been to eliminate or alleviate imbalances in the Danish economy, notably the current-ac-

count deficit, the swollen public sector borrowing requirement and hitherto unprecedented jobless levels.

By pursuing a stringent incomes policy and retaining a fixed exchange rate of the Danish krone, vis-à-vis the European Monetary System, the government of Prime Minister Paul Schlüter has succeeded in dampening the rate of inflation and of interest, and in laying the groundwork for stronger growth in the Danish corporate sector.

Total corporate investment [excluding oil and gas] will be about 15 percent up [by volume] in 1984. Even though the starting point is low, a significant reversal of recent years' considerable fall is involved —not the least in industrial investment," the four commercial Nordic banks wrote in the Danish section of their report.

The banks forecast that the export-led recovery for Denmark should continue into 1985, prompting more jobs and an improvement in the current account, provided inflation and interest rates are kept under control.

But the government's success in its economic and financial policies is

qualified. The rising value of the dollar on foreign-exchange markets has dented Denmark's terms of trade and made the repayment of its foreign debt — largely denominated in dollars — more expensive.

In its draft budget for 1985, the government raised its earlier forecast of a 1984 current-account deficit from 12 billion to 15 billion Danish kroner, while the outlook for next year is only slightly less dismal. Interest repayments on the government debt now form the single largest outlay in budget expenditure.

This factor, together with a surge in money supply and in bank lending to customers, has given rise for concern, especially at the country's central bank.

Alarmed at an increasing trade deficit, which was brought on in large part as a rise in imports as Denmark's export-led industrial performance got under way, the Central Bank moved to curb credit expansion by ordering Danish banks to adhere to guidelines laid down by the agency. The banks have until the end of September to bring their credit expansion down to the desired guidelines. Failure to do so will result in the offending

banks being obliged to lodge special deposits with the Central Bank.

However, economists and bankers in Copenhagen agree that if the government succeeds in adhering to its targets of reducing the current-account deficit, bringing public-sector borrowing under control and unemployment levels to more manageable levels, the Danish economy stands a good chance of being placed on a more equal footing than in earlier years.

As Finance Minister Palle Simonsen put it recently: "It is a long and hard process back to equilibrium in the Danish economy."

Finland has not been blessed to such an extent by the problems facing its Nordic neighbors. Its current-account deficit is low, its central government financing requirements easy to control and inflation manageable.

Its problem, as government economists explained in Helsinki, has been more a case of learning how to cope with economic success than on how to control it.

"The cyclical [economic] recovery is at present changing into a moderate boom, which may last until the middle of next year," the Finnish Finance Ministry noted in

a recent economic report. As a result, it was not only possible but also necessary to continue pursuing a tight economic policy to decelerate the rate of inflation further, the ministry added.

According to the industry federations' report, Finnish GDP is expected to grow by 4 percent in 1984 and by the same in 1985 after a 3.1-percent increase last year, the largest volume growth of all the Nordic countries and well above the average for the OECD area.

Exports have continued to grow rapidly, with the trade account of the first half of 1984 estimated by the Finance Ministry to show a surplus of more than 4 billion Finnish marks, compared with 400 million in the year-ago period. This factor, the industry federations' report estimates, should result in a current-account deficit of less than \$800 million equivalent.

Private consumption and domestic demand are being kept under control, while the volume of manufacturing production is expected to continue growing. Output in Finland's important forest industry is up, and timber sales, which are factored in dollars, are being lent a helping hand by a stronger dollar.

The labor force is forecast to grow by 35,000, or 1.5 percent, this year and the unemployment rate is expected to diminish further, while inflation will be kept to below 6 percent on an annual basis, the government said.

Of the five Nordic economies, Iceland underwent the most wrenching of changes last year. A new government took office in May 1983 and immediately set about reducing the country's explosive inflation rate, calculated at one stage last year to have jumped 130 percent on an annual basis.

Drastic policy measures were introduced, including a devaluation of the króna and a ban on wage indexation, which helped to bring the inflation rate down to more manageable levels of about 15 percent.

At the same time, GDP fell by 5.5 percent in 1983, with the main factor behind the decline being a 25-percent reduction in the cod catch, the staple of the Icelandic economy.

GDP this year is expected to drop by 2 percent, as the government seeks to diversify its industrial base away from ton-heavy dependence on fishing, while domestic expenditure is forecast to decline.

The current account is expected to remain in deficit, at about 2 percent of GDP. There are indications, however, that the economy will begin to grow again in 1985.

In the case of Norway, the international economic recovery has led to a revival in the traditional export areas of industry, such as metals, engineering and chemicals —

branches that have been dangerously overshadowed in the past by the demands of the country's offshore oil and gas industry.

In its revised national budget for 1984 published earlier this year, the coalition government of non-Socialists forecast that total GDP would grow by 2.1 percent in 1984 compared with a 3.2-percent increase last year, with demand for investment in the oil sector slowing on an annual basis.

Drastic policy measures were introduced, including a devaluation of the króna and a ban on wage indexation, which helped to bring the inflation rate down to more manageable levels of about 15 percent.

While manufacturing production fell by 1.1 percent in 1983 and by 0.8 percent in 1982, the industry federations forecast that in 1984 there might be some growth registered in manufacturing. "The export competing sectors, such as producers of metal, ferro-alloys, chemicals, pulp and paper, increased their production, while production declined in import-competing sectors. The decline was strongest for shipbuilding and textiles and wearing apparel," the federations reported.

The production record of 55 million metric tons of oil equivalents in Norway's offshore oil and gas sector last year largely contributed to the current-account surplus of 16 billion kroner. Latest official statistics published in Oslo suggest that this figure will be exceeded this year.

The government has succeeded

in bringing inflation down from 11.3 percent in 1982 to a current level of about 6.5 percent. But interest rates have risen and unemployment rates have shown little decline, factors that if not remedied will pose a challenge to the ruling coalition of Prime Minister Kaare Willoch in the run-up to the general elections in September of next year.

In Sweden's case, the export-led

recovery of its powerful industrial base has not been without its problems.

The Social Democratic govern-

ment of Prime Minister Olof Palme had had to cope with declining popularity when many of its 1982 election promises remained unfulfilled because of the reality of coping with severe problems in the economic and industrial structure.

Prolonged economic recession, sharp declines in industrial investments and real incomes, as well as an accelerating national debt and public-sector expenditure, have all been difficult to come to terms with, particularly in an affluent society such as Sweden.

The 16-percent devaluation of the króna nearly two years ago had the desired effect of nudging industry into improved competitiveness, igniting an export-led boom and expanding corporate profits to an unprecedented degree. But it also had its ill effects, economists in Stockholm said. The currency adjustment fueled inflation way beyond the government's desired ceiling of 4 percent this year as well as prompting a series of high wage

settlements out of tune with the government's policies.

The result was a tough series of government measures imposing a price freeze, a cap on dividends and mandatory savings introduced on April 12. The price freeze was lifted on June 28 this year, but at the same time the Swedish Central Bank raised the discount rate from 8.5 to 9.5 percent in an effort to curb credit expansion.

The harsh measures have gone hand in hand with an economic upsurge, which bodes well for the overall structure of the Swedish economy in coming years, the economists noted.

GDP is expected to grow by 2.6 percent this year, after 2.3 percent growth in 1983, while industrial investments are forecast to jump by 20 percent after a 2.4 percent drop in 1983, which should restore the investment level in real terms to levels seen in the early 1970s.

Sweden's trade balance is healthy, recording a surplus of 162 billion kronor in the first seven months of this year, a 60-percent leap on the year-ago period, while the current account, according to the industry federations' report, should be in balance this year and even record a slight surplus in 1985.

Inflation has been brought down to an annual level of about 7 percent, although unemployment levels have not declined appreciably, a factor that could work against a Social Democratic government committed to full employment, bankers in Stockholm said.

Some of our smallest advertisements are read with a maximum of thoroughness.



A "tombstone" is not very spacious.

But within international financial circles you rarely miss any. Since Sparekassen SDS went abroad in 1977, we have established ourselves several places around the world.

1977: SDS opens a branch on the Cayman Islands.

1979: SDS establishes in London by acquiring 25 percent of the share capital in the London Interstate Bank.

Dec. 1983: As the first Danish bank SDS participates as lead manager in the arranging of an ECU-debenture loan for the EEC. The bonds are quoted on the Copenhagen Stock Exchange as the first one denominated in foreign currency.

Jan. 1984: SDS participates as lead manager in an ECU-bond for the European Investment Bank.

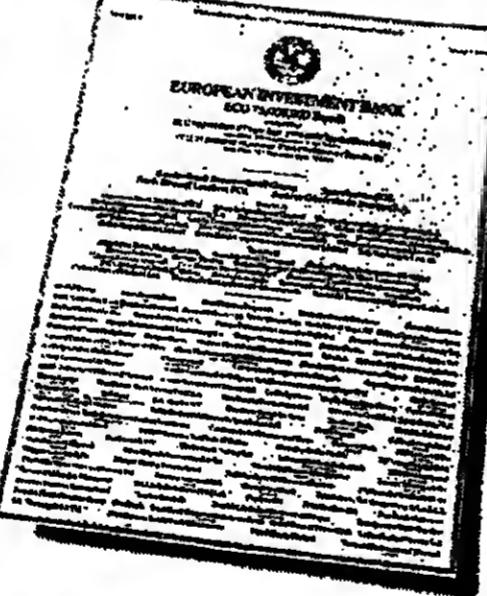
March 1984: SDS arranges an ECU-loan for the European Coal and Steel Community and for the Nordic Investment Bank.

April 1984: SDS contracts an international debenture loan in US-dollars.

April 1984: SDS establishes a representative office in Singapore.

July 1984: SDS acquires the full share capital of London Interstate Bank.

By such means SDS has gained a foothold in the international financial world in a very short time, and today SDS is as known abroad as in Denmark and is considered one of the leading banks in the ECU-market.



Copenhagen's mermaid statue, and a ship under construction across the water. John Capos von Hassell

Norway: Larger Role in Capital Markets

(Continued From Previous Page)

reflected in the type of borrower having recourse to the Eurokrona bond market. "For the first time, the authorities accepted a sovereign state borrower to participate in the market, in the form of Finland launching a five-year, 200-million kroner issue last May," Mr. Kallander said.

Up to that date, the borrowers had been usually Norwegian institutions, corporations or municipalities, such as Esso Norway, Norsk Hydro or the City of Oslo. Now the ranks have expanded to include Nordic supranational borrowers, such as Scandinavian Airlines System, which raised 200 million kroner earlier this year. "With SAS, the potential for new borrowers has been increased," Mr. Kallander said.

Commercial bankers are careful to note, however, that domestic Norwegian borrowers will occupy an equally important place in the market in the future, as the authorities wish to maintain the national character of the market, and thus its international appeal.

"We have a long list of international clients interested in tapping

the market, but we don't want them to saturate the market at the expense of equally top-class domestic corporate or institutional borrowers," an Oslo banker said.

Neither the European Investment Bank nor the European Community are accepted as yet as potential borrowers, partly out of policy reasons, as Norway is not a member of the EC, and partly because this would mean that the market would have to embrace a wider palette of supranational agency borrowers, such as Scandinavian Airlines System, which raised 200 million kroner earlier this year. "With SAS, the potential for new borrowers has been increased," Mr. Kallander said.

Foreign companies, which have tapped the market in the past, such as Gaz de France, must have a valid Norwegian connection, as for example, seeking to engage in Norway's offshore oil and gas exploration and development, energy industrial offices said.

Venture-capital investments in Norway's expanding high-technology companies, such as Norsk Data, will require additional funding in the future and the Eurokrona market provides a suitable niche in this respect, Oslo bankers said.

Foreign investors in the Euro-

bond market are attracted primarily for two reasons: Firstly, confidence in the Norwegian currency's continued stability and, secondly, because of the prevailing bond rate and return on yield.

Investors from European countries, such as West Germany, Austria and Switzerland, enjoy a sizable yield differential between those of their respective domestic markets and those of Norway. "We have seen a tremendous increase in demand from abroad because of the yield differential," Mr. Kallander said.

Foreign companies, which have tapped the market in the past, such as Gaz de France, must have a valid Norwegian connection, as for example, seeking to engage in Norway's offshore oil and gas exploration and development, energy industrial offices said.

A West German investor, for example, would secure a yield of 4.6 percentage points above those prevailing on the German market if he bought Norwegian Eurokrona bonds. Moreover, if he opted for one of the five-year to seven-year maturities usually characterizing the Eurokrona bonds, at a guaranteed yield of 4.6 percent per year, he would still stand to break even on his return on investment even if the Norwegian krona depreciated by 22 percent against the Deutsch mark over five years.

"But such a depreciation is highly unlikely as the currency risk is

minimal when measured against the yield margin covering the risk," Mr. Kallander added.

Besides, the Norwegian krona is fully convertible, there is no fear of withholding tax being levied and it can be bought without any restrictions.

On the other hand, if the investor wishes to enter the Norwegian bond market, a purchasing limit of one million kroner applies and transactions must be registered with Central Bank authorities, ruling out the advantage of anonymity.

However, these rules also are likely to be relaxed in the near future, as a government white paper recently proposed that the limit be raised to 10 million kroner.

Norway also took steps to liberalize its foreign-exchange restrictions last June, when it moved to relax rules governing portfolio investment opportunities for both Norwegians and foreigners. Norwegians now may purchase Norwegian krona bonds in the domestic secondary market, regardless of issuer, while a license arrangement permitting banks to make krona loans to foreigners will go into effect next year.

— MICHAEL METCALFE

BANQUE INDOSUEZ IN NORDIC COUNTRIES. A WHOLE WORLD OF OPPORTUNITIES.

Banque Indosuez is the only European bank established in the four Nordic countries (Denmark, Finland, Norway and Sweden).

This network in Nordic countries is part of the bank's comprehensive international network now covering 65 countries.

In Western Europe, Banque Indosuez is present in all the major countries.

A French international bank with human dimensions, a reliable partner aiding business to expand, providing trade and export financing. Banque Indosuez opens up a whole world of opportunities.



BANQUE INDOSUEZ
A whole world of opportunities

Paris: Head Office: 96, boulevard Haussmann - 75009 Paris

John Copas/Associated Press
Rolls of newsprint in Kemi, Finland.

Sweden Is Expected to Allow Small Foreign Bank Presence

STOCKHOLM — Sweden, the last frontier in Western Europe for foreign banks, is acutely aware of its anomalous situation and is taking steps to bring down the barriers.

With Norway on the verge of allowing foreign banks to begin operations, and Denmark and Finland already embracing a foreign banking presence over a number of years, Stockholm has become the dominant in the Nordic region.

"We cannot remain the sole entry in Western Europe to exclude foreign banks; that would simply appear too restrictive," said Jan Wallgren, director-general of the Swedish Bank Inspection Board.

A government committee appointed by the Social Democratic administration early in 1983 has been working at a rapid pace on the question and is due to report its findings later this month. Swedish bankers said that a decision has been made in principle to allow a number of foreign banks in, and a positive recommendation can be expected perhaps as early as the beginning of next year.

Pressure on the Swedish government has built up, not only from its Nordic neighbors who feel that the move will facilitate cross-border banking relations, but also from the commercial banking sector, which believes the time is ripe for reciprocity to come into play.

For the last few years, Swedish banks have expanded into international markets in a big way. If, by setting up wholly owned subsidiaries and going into consortia partnerships or majority holdings, they are turning in sizable profits from foreign banking operations, then the Swedish authorities cannot be expected to keep the door shut.

As Carl Olson, newly appointed chairman of Skandinaviska Enskilda Banken, Sweden's largest commercial bank, has pointed out: "In my opinion, I think it's shared by most bankers in Sweden that we can't claim free trade for anything but for banking. In that respect, we have to accept that foreign banks come in with their branches at least with subsidiaries."

The current status of foreign banks in Sweden is limited to representative offices, and no fewer than 26 have opened offices since 1974. They range from Crédit Lyonnais among the seven French banks to Chase Manhattan among the four U.S. offices, as well as four British and one Japanese.

"Up to 12 foreign banks, some already represented in Stockholm, are expected to apply for permission to set up subsidiaries when the law is changed. As there are no more than 15 domestic commercial banks currently operating in Sweden, the authorities will be keen to limit the initial influx."

The same limitations will apply to foreign banks wishing to set up business in Oslo. "As many as nine banks are in for applications and we expect them to start obtaining licenses as from January," said Birger Langeland, assistant general manager at Den Norske Creditbank, Norway's largest commercial bank.

The Norwegian Central Bank wrote in a recent summary of a government-appointed commission's findings ruling in favor of foreign banks' establishing business that "in the view of the commission, any such establishments ought to be in the form of subsidiaries."

The banking authorities in Oslo stipulate that the foreign banks will be subject to the same strict conditions and rules applying to domestic banks and that the entry of foreign banks onto the domestic scene must take place in an orderly and controlled fashion. Among the nine applicants are three U.S. banks, three French, two Swedish and one British merchant bank.

On the subject of increased competition arising from the influx, Mr. Langeland said: "We feel on the whole that it will make Oslo a better market place. The clients will be happier and we have to be happy with that."

Mr. Langeland concedes that the going will get tougher and that the new banks, in seeking local personnel to staff their offices, could create staffing problems, particularly in foreign-exchange business, where skilled manning is much in demand and hard to find.

Two countries in the Nordic area with experience of a foreign banking presence at home are Denmark and Finland. Copenhagen was the first Nordic capital to open its doors to banks from abroad, soon after Denmark joined the European Community in 1974. Finland so far has permitted three banks to establish subsidiaries in Helsinki since banking regulations were relaxed in 1979.

In the case of Denmark, banks such as Chase Manhattan, Bank of America and Standard Chartered were soon enjoying the privileges and profits of either a full-branch bank or that of a subsidiary.

While shunning the retail business, which is largely sewn up by the myriad Danish commercial and savings banks operating throughout the country of five million inhabitants, the Copenhagen-based foreign banks soon entered the lucrative corporate client business and foreign-exchange trading, where the competitive edge has been felt the most.

Much the same applies to Finland, where Cuibank and Chase Manhattan of the United States, and the Banque de l'Indochine et de Suez of France are the only three banks to have entered the fray.

"We have seen, since foreign banks started in the free corporate market, a tremendous cut in margins, especially in foreign-exchange and customer business, but it is also true that there have been cuts in the commissions for bank guarantees, for letters of credit, for export-import financing," said Gustav Matsson of Bank of Helsinki, a commercial bank.

If competition for business has stepped up in Copenhagen and Helsinki, the pending arrival of foreign banks in both Oslo and Stockholm has led to a number of significant regrouping maneuvers among Nordic banks.

Three of the largest commercial banks in the region late last month announced a major cooperation agreement under which each of the partner banks will represent the other two in its domestic market, as well as envisaging closer cooperation in the international field. The new group, known as Scandinavian Banking Partners, comprises Skandinaviska Enskilda Banken of Sweden, Bergen Bank of Norway and Union Bank of Finland. It embraces the largest cooperation agreement to date in the region's banking sector.

Under the terms of the pact, rather than forming subsidiaries in

Wage-Earner Funds: An Anti-Climax

(Continued From Page 9)

funds "could be used as a socialization tool" for a foreign body in the Swedish economy if they were accepted and forgotten during the seven-year mandate for the plan.

However, if Sweden's Social Democrats lose the fall 1985 elections, all three major opposition parties have promised to abolish the funds when they form a government. After the bitter debate preceding the 1982 elections and lasting into 1983, when more than 100,000 businessmen and fund opponents marched on Sweden's parliament, the Riksdag, on October 4, observers think that Social Democrats under Prime Minister Olof Palme do not want another campaign marred by the funds dispute.

"Most probably, they [the funds] will keep a conservative, low profile up to the elections," said Dame Nording, chief of research at Norges Ekonomifakta, an information service operated jointly by

the SIF and the Swedish employers' federation. "The Social Democrats don't want another funds debate before the next election; they want to tell the people these funds are nothing more than normal investors, and they are not dangerous," Mr. Nordling said.

Politically, observers say, the funds represent not only the traditional debate between socialist and non-socialist in Swedish politics, but also a divergence of opinion within the closely knit Social Democratic and labor movements.

"The funds were an idea the Social Democrats never fully accepted," said SIF's Mr. Meyerson, explaining that the original Meidner Plan was the product of radical thinkers in the LO that had been loosening ground within the union and Social Democratic movement as a whole. (Rudolf Meidner, a Social Democrat and an LO economist was the prime mover behind the establishment of the wage earners' funds.)

Denmark: Era of Competitiveness in Home Market And Expansion Abroad as Capital Profits Boom

By Christopher Follett

COPENHAGEN — Nineteen-eighty-three was a boom year for Denmark's banking sector, which is about to enter a new era of competitiveness on the home market and rapid expansion abroad.

Due to unprecedented capital gains on their holdings of bonds and stocks last year, when effective Danish domestic interest rates fell from 20 to 13 percent, virtually all of Denmark's 80 commercial banks and 150 savings banks reported large increases in 1983 pre-tax profits, after-tax returns on equity ranging from 40 percent at the lower end of the scale to 97 percent for the most dynamic performer, the Jutland-based Jyske Bank.

In some cases, gross earnings tripled.

It was these enormous capital gains from the banks' holdings of bonds and shares that turned their otherwise considerable operating losses into vast profits.

Denmark's commercial banks recorded combined operating losses of 1 billion kroner last year, more than three times higher than in 1982, which capital gains in the booming Copenhagen stock exchange transformed into record tax-free profits of 14.6 billion kroner.

The deceptive nature of the bank boom gave rise to fears among bankers of a worrying trend toward lower returns on conventional banking activities and higher running costs, which last year showed an 11.6-percent increase. Despite the record profits, none of the major banks increased their dividends last year, choosing instead to boost their reserves and strengthen their capital base.

According to the Danish Banking Association, while banks this year cannot technically expect a

continuation of last year's stocks and bonds bonanza, there are encouraging signs of a steady improvement in cutting back their bloated operating losses, trading results having improved by 59 percent during the first half of the year.

The association predicts variable results for banks this year, with the top three commercial banks, Danske Bank, Copenhagen Handelsbank and Privatbanken, all expected to announce reduced pre-tax profits at the end of the year after mixed performances in the first six months of 1984, due to significant depreciation losses.

More mergers are also anticipated as the domestic market becomes more competitive.

"I anticipate considerable movement in Danish banking in the next few years," said Peter Wendl, chief economist at Sparkassen SDS, the country's largest group of savings banks and currently Denmark's fourth-biggest bank.

"I foresee quite a number of mergers — particularly among smaller and medium-size banks," he said.

Larger banks could also merge, affecting the 18 largest institutions, other bankers predict.

With a population of only 5 million, there is room for a certain amount of rationalization within Denmark's banking sector without creating any drop in competition or customer choice.

One of the principal reasons that medium-size Danish banks are seeking to strengthen their domestic base is as a first step toward expanding abroad.

The trend started last year with Jyske Bank and Varde Bank (both in Jutland and medium-size) taking over two old-fashioned smaller banks — Vendelhobanken and

Henrikens Bank — which had fallen on hard times.

Earlier this year, two small savings banks, Vestjælland and Trundholm, merged, as did the Sjælland and Frederiksborg banks, which fused into Kronbanen.

Both are on the main Baltic island of Zealand, on which Copenhagen is situated.

There is continued speculation that Provinzialbanken, based in Aarhus, Denmark's second city, currently the sixth biggest Danish commercial bank — uniquely in the world — on an equal footing with commercial banks, giving them access

to lucrative foreign markets, as well as allowing foreign banks to operate in Denmark.

While in-bank and interbank automation is an advanced stage in Denmark, automated payment systems for the public are relatively undeveloped.

DANKORT, which loosely translates as Dancard, an ambitious automated electronic bank payment-transfer card system to embrace all shops and banks nationwide eventually and introduced last year, is only targeted to be on-line for retail outlets by the end of the decade.

INVESTMENT BANKING IN SWEDEN

WH&CO
WINSTON HÄKANSON & CO FONDKOMMISSION AB

CORPORATE FINANCE MERGERS & ACQUISITIONS
SECURITIES DEALING PORTFOLIO MANAGEMENT

Box 2274 S 103 17 STOCKHOLM, PHONE + 46 8 24 02 60 TELEX 15707 WINBOND

Correspondent Banking with Sweden



Growth area or financial jungle?

Moving into the growth markets of Sweden and Scandinavia is a bit like entering one of our forests. You can either end up hopelessly lost or you can find the experience profitable and worthwhile.

It all depends on whether or not you have a reliable, trustworthy guide — a partner who really knows the way around.

And it's hard to find a Nordic business partner more reliable than SwedBank.

With assets of more than US\$12 billion, SwedBank is the fourth largest banking group in Scandinavia, with access to the most comprehensive branch network in Sweden and more than a third of Sweden's

total deposits. As a result we are able to offer specialised, experienced and thoroughly professional Kroner financing and clearing capability. Our foreign exchange operation is equally impressive.

Most important of all, we are as eager to extend our correspondent banking network as you are — precisely why we're prepared to invest more time and effort in a reciprocal relationship than a great many of our competitors.

It's a very different philosophy. And, if you're ready to move into our neck of the woods, you'd be well advised to find out more about it.

Call or write today.



SWEDBANK

DOMESTIC NAME: SPARBANKERNAS BANK

SwedBank — an excellent name for International Banking

Head Office: S-105 34 Stockholm, Sweden. Telephone: 08-22 23 20 Telex: 12826 SWEDBNK S.
Representative Offices: The Old Deanyan, Dean's Court, London EC4V 5AA Telephone: 01-236 4060.
Pereulok Sadovskikh 4, Apt. 2, 103001 Moscow, Telephone: 209 6836.
Affiliated Banks: Fennoscandia Limited, London. Banque Nordeurope SA, Luxembourg.

BUSINESS ROUNDUP

Swire Lifts Profit 9%, Sees Higher Cathay Result

By Ding Lee

International Herald Tribune
HONG KONG — Swire Pacific Ltd., the parent company of Hong Kong's Cathay Pacific airline, said first-half net rose 9 percent to 477.4 million Hong Kong dollars (\$61.21 million) from 435 million dollars in the year-earlier period.

Swire is a listed company in the British colony with five divisions operating in aviation and hotels, property, shipping and offshore services, industries and trading. The company is part of the Swire Group, now based in London.

The company said Cathay's profits for the full year will be significantly higher than for 1983. Depressed market conditions for both the property and offshore services operations are likely to affect results for those divisions, however. There has been considerable speculation over the future of Cathay Pacific, because of uncertainty

over Hong Kong's political future. In 1987 about 92% of the territory is due to revert to China under existing treaties signed a century ago between Britain and China.

Rumors that Cathay sought to buy shares in a British airline, either British Airways or British Caledonian, as preparation for a transfer of the company to Britain, have been denied by the airline.

"We're Hong Kong's airline and we want to stay that way," a Cathay spokesman said. "We are conducting talks about selling the airline of buying any other airline."

For many months it was feared that when Britain's lease of the colony expires in 1997, Cathay might be in trouble.

As British aviation authorities would no longer have the right to negotiate international landing rights for Cathay, it seemed logical that China's national carrier and aviation authority would be in charge of negotiating the routes

and rights of its ex-colonial rival. This question was the very last to be resolved in the two-year negotiations between the British and Chinese.

Cathay confirmed Thursday that it was consulted by the Hong Kong government privately on the matter. The British negotiating team also included a Hong Kong government aviation expert.

Diplomatic sources close to the talks say the resolution is one "with which Cathay seems to be pleased." It is understood that the agreement will allow a high degree of autonomy for the post-1997 Hong Kong government in this regard.

China and Britain announced Wednesday that they have concluded the draft agreement that will transfer Hong Kong from British to Chinese rule. It is thought that accord may be finalized as early as next week.

■ **Dividend Increase Is Seen**
Hong Kong analysts said Swire

COMPANY NOTES

Brokers Hill Pty. Co., which reported that profit rose 36 percent to 167.9 million Australian dollars (\$139.9 million) in the three months ended Aug. 31, said the rise should not be regarded as indicative of half-yearly or annual results. The company, Australia's biggest publicly traded company, said the main contribution to its earnings came from the oil and gas division. Steel division profits were almost double the previous year's level, but more difficult trading conditions are anticipated.

The investors also would acquire General Battery Corp., Velsicol Chemical Corp., and NWT Natural Resources Co., an oil and gas exploration company.

Observers say the accord is final and that a counteroffer for Northwest from another group is still possible.

When Kelly, Briggs & Associates was formed in July after Beatrice Companies bought Esmark, Mr. Kelly said his new investment firm intended to acquire companies with more than \$1 billion in annual sales.

The investor group agreed to pay \$50 a common share plus one share of a newly created Lone Star Steel common stock for each of Northwest's 20 million shares outstanding.

Lone Star's declining business had caused Northwest's stock price and earnings to deteriorate, and Wall Street analysts say Lone Star stock could be worth \$20-\$25 a

share. Northwest share prices opened Friday on the New York Stock Exchange at \$60, up \$9.75.

Northwest assets to be acquired by the investment group include Union Underwear Co., whose Fruit of the Loom brand is the top-selling underwear among men, and Acme Boot Co., the world's largest bootmaker.

The investors also would acquire General Battery Corp., Velsicol Chemical Corp., and NWT Natural Resources Co., an oil and gas exploration company.

Observers say the accord is final and that a counteroffer for Northwest from another group is still possible.

When Kelly, Briggs & Associates was formed in July after Beatrice Companies bought Esmark, Mr. Kelly said his new investment firm intended to acquire companies with more than \$1 billion in annual sales.

The investor group agreed to pay \$50 a common share plus one share of a newly created Lone Star Steel common stock for each of Northwest's 20 million shares outstanding.

Lone Star's declining business had caused Northwest's stock price and earnings to deteriorate, and Wall Street analysts say Lone Star stock could be worth \$20-\$25 a

share. Northwest share prices opened Friday on the New York Stock Exchange at \$60, up \$9.75.

Northwest assets to be acquired by the investment group include Union Underwear Co., whose Fruit of the Loom brand is the top-selling underwear among men, and Acme Boot Co., the world's largest bootmaker.

The investors also would acquire General Battery Corp., Velsicol Chemical Corp., and NWT Natural Resources Co., an oil and gas exploration company.

Observers say the accord is final and that a counteroffer for Northwest from another group is still possible.

When Kelly, Briggs & Associates was formed in July after Beatrice Companies bought Esmark, Mr. Kelly said his new investment firm intended to acquire companies with more than \$1 billion in annual sales.

The investor group agreed to pay \$50 a common share plus one share of a newly created Lone Star Steel common stock for each of Northwest's 20 million shares outstanding.

Lone Star's declining business had caused Northwest's stock price and earnings to deteriorate, and Wall Street analysts say Lone Star stock could be worth \$20-\$25 a

Planned Sale of Northwest Surprises the U.S. Market

The Associated Press

CHICAGO — A transaction in which Northwest Industries agreed to be purchased for more than \$1 billion by a Chicago investment firm headed by two former Esmark executives, Donald P. Kelly and Roger T. Briggs, has surprised Wall Street.

The accord, announced Thursday, represents the first acquisition by the recently formed Kelly, Briggs & Associates, a holding company created to buy and sell businesses.

The investor group agreed to pay \$50 a common share plus one share of a newly created Lone Star Steel common stock for each of Northwest's 20 million shares outstanding.

When Kelly, Briggs & Associates was formed in July after Beatrice Companies bought Esmark, Mr. Kelly said his new investment firm intended to acquire companies with more than \$1 billion in annual sales.

The investor group agreed to pay \$50 a common share plus one share of a newly created Lone Star Steel common stock for each of Northwest's 20 million shares outstanding.

Lone Star's declining business had caused Northwest's stock price and earnings to deteriorate, and Wall Street analysts say Lone Star stock could be worth \$20-\$25 a

INTERNATIONAL POSITIONS

JURISTE AVEC ACCENT ANGLAIS

Groupe International de Travaux Publics recherche pour ses services centraux en région parisienne, un juriste connaissant le droit anglo-saxon.

Une double formation française et anglaise (ou américaine) est nécessaire, une expérience de quelques années en entreprise ou en Cabinet de conseil juridique serait un atout supplémentaire.

Ecrire avec CV détaillé à :

Entreprise RAZEL Frères
le Christ de Sacré - BP 109
91403 ORSAY Cedex
(FRANCE).

McGRAW-HILL PUBLISHING COMPANY seeks for Aviation Week & Space Technology an INTERNATIONAL CIRCULATION MARKETING MANAGER to be based in Lausanne.

Candidates should be fluent in English, French and German, and a working knowledge of Italian would be helpful. Individual should be a highly motivated self-starter, willing to travel. Publication circulation background would be an asset. Swiss nationals or Swiss C permit holders.

Please send curriculum vitae and salary requirements to:
Robert Rottemer, Director International Marketing & Sales
Aviation Week & Space Technology
14, Avenue d'Ouchy, 1006 LAUSANNE, Switzerland.

Banque Française nationalisée PARIS

Gestionnaire de portefeuille actions

Il aura principalement au sein du Département Financier, la responsabilité de suivre des comptes de particuliers et développer cette clientèle, et de gérer des fonds communs de placements axés sur le marché Nord-Américain.

Expérience réussie de 5 ans minimum dans un organisme financier d'audience internationale.

Une bonne connaissance de la Bourse Américaine est indispensable. Formation école supérieure et bonne maîtrise de l'anglais impérative.

30 ans minimum pour ce ou cette candidat (e) prêt à s'investir dans la création d'une nouvelle fonction.

Rémunération motivante liée à l'acquis professionnel.

Ecrire avec C.V. détaillé, photo, prétentions et téléphone privé sous référence 24016

MRI conseil
Danièle Chapuis
13, rue Madeleine Michelis, 92522 Neuilly.

Ericsson Hopes New PC Will Take 15% Share of European Market

By Juris Kaza

International Herald Tribune

LONDON — BL PLC, Bri-

son AB, the Swedish electronics

and telecommunications group,

hopes to take about 15%

of the European market for personal

computers sold to large business

users with its new IBM-compatible

16-BIT PC, according to Hans

Amell, general manager of Ericsson

Information Systems's recently

formed Personal Computers Divi-

sion.

The Ericsson PC has cost the

company around 100 million kronor

(\$14.45 million) to develop. It

will be the third personal computer

to be marketed in recent years by

Ericsson Information Systems, the

company's office-automation sub-

division.

The Ericsson PC has shown an

operating loss of \$23.3 million.

Non-IBM manufacturers, un-

able to duplicate the VM system

for legal or technical reasons,

will have to start getting worried in

the next two to three years," Mr.

Amell remarked.

Mr. Amell said each new PC will

come with instructional software,

developed with Digital Learning

Systems of Boston. "We said

that you should be able to take anyone

off the street and make him able

to use, and not be afraid of the

product in a couple of hours," he

said.

It was possible, he said, that the

PC would soon be marketed with at

least a word-processing program

has a big potential market. In Europe, there are a lot of people afraid to be locked in by IBM. This makes IBM-like products very attractive."

But Mr. Patterson, whose company is the European affiliate of the Boston-based Yankee Group computer research company, cautioned that in the medium term, all IBM-compatible PCs could be challenged if IBM decides to adapt its proprietary VM operating system, used for larger computers, to its own PCs.

Non-IBM manufacturers, unable to duplicate the VM system for legal or technical reasons, will have to start getting worried in the next two to three years," Mr. Patterson remarked.

The two earlier models, the Facit DTC and the "Step One" were mostly sold in Nordic countries. But this time, Ericsson is aiming for a wider market.

An international advertising

campaign for the Ericsson PC

launched in the middle of this

month has already yielded orders

totaling 200 million kronor.

Mr. Amell said, "He called the result 'exceptional,' pointing out that the PC is an off-the-shelf product, rather than a system to be ordered by Tymshare Inc.

Merck & Co. Inc. said a single

oral dose of its new anti-parasitic drug Ivermectin has been found

promising in the treatment of hu-

mans of the tropical disease onco-

cerciasis, or river blindness. Iver-

mectin is already marketed for

veterinary anti-parasitic use.

Pillsbury Co. of the United

States reported a 12-percent in-

crease in net for the fiscal first

quarter to \$38.9 million, com-

pared with \$34.8 million a year ear-

lier. Sales were up 10 percent at

\$1.02 billion from \$929 million.

News Corp. Ltd. of Australia

said net in the year ended June 30

rose 10 percent to a record \$95.87

million from \$86.92 million in the

previous year. It attributed the rise

to improvements in earnings from

operations in Australia and the

United States.

Spalding Sporting Goods, a pri-

vately held U.S. manufacturer of

sporting goods, has been sold along

with two Ohio-based companies to

a Florida investor group for an un-

disclosed amount of money. A

spokesman for the Tampa, Florida

group declined to discuss details of

the transaction that included pur-

chase of EvenFlo Infant Products

of Ravenna, Ohio, and Juvenile

Furniture of Piqua, Ohio, and Spal-

ding & EvenFlo Cos. Inc.

Mr. Amell estimated that sales

Hydro-Québec Strategy Tied to Excess Capacity

(Continued from Page 13) in the 1990s, and of a slightly smaller proportion of New York state's power.

When utilities in New York and New England share power, the price is generally figured either on an even division of cost, or an even division of savings.

For example, many utilities building nuclear plants have sold shares to neighboring companies, which agree to pay a precise fraction of the capital cost and operating cost in exchange for the same fraction of the output. Or one company agrees to run its relatively inexpensive coal plant to serve the needs of a second company's customers, so that the latter can shut down its expensive oil plants.

In such transactions, the saving from using coal instead of oil is then split exactly.

Neither formula appealed to Hydro-Québec, which figured that its cost of additional production is zero, and which did not want to permanently sell production capacity if it would probably someday need for itself.

Instead, the parties devised a price formula that is supposed to represent the "avoided cost" of oil and coal not burned. Most of the power will be sold at a price equal to 80 percent of the average fossil fuel cost.

The saving to the U.S. customers is more than 20 percent, however. A 20-percent saving would result if the U.S. utilities used the Canadian power to replace a mixture of coal and oil plants. But only oil-fired plants, the more expensive to operate, will be shut down.

The pricing formula for Hydro-

Québec power will reflect a wide variety of factors, however, experts said. Since the average fossil fuel cost being used is weighted to take into account the number of kilowatt-hours made by burning oil and the number with coal, the figure — and Quebec's income — will fall with the progress of coal conversion projects in the United States.

Utilities in New York and New England report spending 5 to 6 cents per kilowatt-hour on fuel if oil is used, depending on the sulfur content of the fuel and the efficiency of the plant. If coal is used, the fuel cost is less than half that.

Possibly the largest factor is OPEC's power over the cost of oil. The organization's recent weakness has been cited by Hydro-Québec's domestic critics, but Jacques Guevremont, the company's vice president for external markets, minimized the problem.

"What if the price of oil dropped by half?" Mr. Guevremont asked rhetorically at a news conference during a recent tour of the new facilities. "That would be troublesome," he said.

"If the price of oil were to double," he added, "the Americans dealing with us would do better than we would." The reason, he said, is that U.S. customers would save 20 percent of a larger number of dollars otherwise spent on oil.

He was adamant, however, in saying that Hydro-Québec was not in the business of energy speculation. But the company does hope to continue as a major energy exporter. Its engineers have wrought from pre-Cambrian granite of the Cana-



Hydro-Québec is building three power stations on La Grande River, and is considering a fourth station.

dian Shield and the gravel and sand left by the last glacier a project that will produce 10,300 megawatts of power — compared with a record demand in New York state of 22,000 megawatts and a peak demand for all of New England of 16,300 megawatts.

Now the engineers are looking at an estimated 30,000 megawatts of additional potential capacity in the area.

Before building more hydroelectric plants, however, the company is seeking to make its market fit the supply, a task that Hydro-Québec had not believed would be necessary when it was predicting demand growth in Quebec of 7 percent a year. The latest projection is less than half that.

Now, Hydro-Québec is seeking to use hydroelectricity to displace fossil fuels domestically. Its engineers have wrought from pre-Cambrian granite of the Cana-

Behind the Noise, U.S. Airlines Quietly Raise Prices

Fare Wars Lower Rates on Some Runs, but Major Carriers Compensate to Keep Overall Yields up

By Agis Salpukas
New York Times Service

NEW YORK — Although the major U.S. airlines are making a big noise in slashing prices on some heavily traveled routes, they are quietly raising prices on a number of other runs.

In seeking to match the discount fares offered by People Express and other cut-rate carriers, moreover, most of the major airlines have imposed fare restrictions such as a seven-day advance purchase and a Saturday night stay. They also generally limit the number of seats to be sold at a discount.

"Even though there have been fare wars in selected markets around the country," said Mike Dernin, airline analyst for the First Boston Corp., "the fact is that the basic fare structure has remained intact since April."

As a result, Mr. Dernin noted, airlines' overall yields are up. The overall yield is calculated by dividing total revenue by "revenue passenger miles" — which are based on one paying passenger flown one mile (1.6 kilometers).

The industry's overall yield in March 1983 was 10.42 cents a mile. It rose to 12.27 cents by July that year. Since last January, the yield has remained above 13 cents a mile.

Although actual price-cutting has been limited, some analysts believe that the appearance of a fare war has stimulated air traffic, particularly among pleasure travelers.

Air traffic, which was marginally higher in July than it was a year earlier, rose 7 percent in August and is climbing about 9 percent this month, according to Julius Malditis, airline analyst for Salomon Brothers.

Brothers. They predict traffic growth of 8 percent next month.

The fare increases come under an air fare plan established by American Airlines in April 1983.

The plan was intended to introduce some order to the airline industry,

which was then the scene of tumultuous fare-cutting and a bewildering range of special fares that had proliferated since deregulation in 1978.

In one time, it was possible to fly

at discount parts of the country for \$99. Competition also led to unusual quirks. A flight between Boston and Chicago, for example, cost

one-third more than a flight between Denver and Houston — the same distance.

Under the American Airlines plan, which was supported from other major carriers, fares were tied to the distance traveled, as they had been before deregulation. The plan also defined four basic fares: first class, coach, off-peak discount (25 percent less than coach), and Super Saver (50 percent less than coach).

In the months after this program was introduced, 75 percent to 80 percent of the fares on all routes conformed to the plan as every major carrier fell in line. For a time,

only minor regional fare skirmishes marred the pattern.

Recently, however, the expansion of such low-fare carriers as People Express, the resurrection of bankrupt Continental Air Lines, and the shift by Braniff Int. to a low-fare strategy have dented the American Airlines plan.

Nevertheless, American's plan remains in effect on many routes.

Thomas G. Plaskett, the senior vice president for marketing at American, estimates that marketing at American to put through two price increases on its discount fares this year, and Mr. Zeeman noted that United is raising fares again Saturday. United will increase one-way first class fares by \$15, one-way coach fares by \$10, and the discount fares by \$20 a round trip. "We want to make a clear statement that fares should be higher, not lower," he said.

Mr. Zeeman said that United, by offering discount fares that include restrictions, is able to maximize the number of passengers who fly at full fare while blunting the competition from newer airlines such as People Express.

The average fare that we receive from customers is 30 percent to 50 percent higher than People Express receives," he said.

Major carriers such as Delta Air Lines, United, American, and Eastern have many business travelers whose fares are paid for by their companies. These passengers generally travel first class or at regular coach fare. Since businessmen must often fly on quick notice, they are unable to use restricted discount fares.

But Mr. Plaskett of American predicted that yields "will be softer this fall for the industry, due to the proliferation of these unrestricted discount fares and the actions we have to take to match the reborn carriers."

Auto Union, GM Sign Tentative Pact

(Continued from Page 1)

costing the company about \$30 million a day.

"It is an excellent settlement. I believe it is indeed an historic settlement," Mr. Bleier said early Friday following a bargaining session at GM headquarters.

He said the agreement "makes more secure than ever in history the job of our UAW-GM members, while providing much deserved economic improvements immediately and in the years ahead."

Alfred Warren, a General Motors vice president and its chief negotiator, also expressed confidence that the settlement would be ratified and said the company would emerge with a better competitive edge as a result of the job security debate.

Mr. Warren said the company felt the job security provisions of the settlement would result in some "very far-reaching kinds of changes" that would be followed by other industries.

Mr. Bleier said the contract was

one the company could afford without raising car prices. He said, "This contract, while it provides fair and reasonable raises for the workers, also provides for the company to be competitive."

He also said the UAW would resume talks with Ford but he did not set a timetable. "We will proceed with getting this process going and then go to Ford," he said.

■ Tentative Mine Agreement

The coal industry and the United Mine Workers union reached tentative agreement Friday on a new contract. The Associated Press reported from Washington.

The agreement came after several hours of what Richard Trunika, the union president, called "very hard bargaining."

Mr. Warren said the company's job security provisions of the union's 160,000 members has been scheduled for Thursday. If the pact is ratified, it will be the first time since 1964 that the two sides have reached a strike-free settlement.

INTERNATIONAL EDUCATION DIRECTORY

EUROPE

The TASIS Schools

SWITZERLAND

The oldest independent American boarding school in Europe, founded in 1955, American College Prep., Cheseaux-sur-Lausanne, 1010 (01 31 22 00). TASIS Coed, boarding and day, grades 7-13. Activities: sports, St. Moritz site term and extensive travel throughout Europe.

The American School in Montagnola, Ext. 31, CH-6522 Montagnola, Switzerland, Tel.: 044 51 71 Telex: 70317 TASS-Montagnola, 1970 0000; TASIS Cyprus, Ext. 33, 11 Kassos Street, P.O. Box 2230, Nicosia, Cyprus, Tel.: 021 43 114 Telex: 45001 TASS-HELLENIC Int'l Day School, grades K-12, Box 5025, Ext. 64, 14200 Kifissia, Greece, Tel.: Athens 008 14 2672/2673/2674.

American Education in Europe with an International Dimension

ENGLAND

CYPRIUS

The newest TASIS campus, situated in the hill district of Nicosia, Cyprus, offers close proximity to the Middle East, Russia, Turkey, Greece, Italy, France, and General Studies curriculum. Coed, grades 7-12; grades 9-12; boarding. Diverse sports, activities, and travel.

The American English Language Center, Colindale, London NW9 5HT, Tel.: 01 903 7000; TASIS Cyprus, Ext. 33, 11 Kassos Street, P.O. Box 2230, Nicosia, Cyprus, Tel.: 021 43 114 Telex: 45001 TASS-HELLENIC Int'l Day School, grades K-12, Box 5025, Ext. 64, 14200 Kifissia, Greece, Tel.: Athens 008 14 2672/2673/2674.

American Education in Europe with an International Dimension

BELGIUM

Stanley H. Kaplan The Smart MOVE!

Why not give yourself or someone close to you the chance to master a foreign language? We offer intensive courses that really work. Full money-back guarantee if not satisfied.

Classes from 100 courses in Arabic, Chinese, French, German, Italian, Portuguese, Spanish, Turkish, Urdu.

BBA and MBA evening classes in London and Paris.

SCHILLER INTERNATIONAL UNIVERSITY Dept. A, 51 Warwick Road, London SE1 8TX, Tel.: 01 928 8484

Send for a free copy of the INTERNATIONAL HERALD TRIBUNE

U.S.A.

Stanley H. Kaplan The Smart MOVE!

Why not give yourself or someone close to you the chance to master a foreign language? We offer intensive courses that really work. Full money-back guarantee if not satisfied.

Classes from 100 courses in Arabic, Chinese, French, German, Italian, Portuguese, Spanish, Turkish, Urdu.

BBA and MBA evening classes in London and Paris.

SCHILLER INTERNATIONAL UNIVERSITY Dept. A, 51 Warwick Road, London SE1 8TX, Tel.: 01 928 8484

Send for a free copy of the INTERNATIONAL HERALD TRIBUNE

INTERNATIONAL EDUCATION GUIDE

Write to: Françoise Clément, International Herald Tribune, 181, Avenue Charles-de-Gaulle, 92251 Neuilly Cedex, France.

YOUR KEY TO A CAREER IN INTERNATIONAL BUSINESS & INFORMATION SYSTEMS:

EUROPEAN UNIVERSITY

Member of the American Assembly of Collegiate Schools of Business.

UNDERGRADUATE PROGRAMS (full time) in business, marketing, management, finance, economics, information systems, accounting.

The university's placement service channels graduates into internships, managerial positions or graduate management programs around the world.

GRADUATE PROGRAMS (Part or full time):

Master of Business Administration, professional management or information systems. As above, the placement service facilitates employment, but also, uniquely offers graduates the opportunity for obtaining a second master's degree at a top U.S. university in as little as 6 months. General admission to Ph.D. programs.

Courses are taught in English, French and Dutch, students choose the language of instruction.

For information contact:

The Admissions Officer - EUROPEAN UNIVERSITY

Amerikalei 131-153, 2000 Antwerp, Belgium. Tel.: 03/238.10.82 - 03/218.51.82.

Campus location: Jacob Jordaensstraat 77-79, Antwerp, Belgium.

E-mail: Stanley.H.Kaplan@euro.ub.ac.be

Dept. 58, Beverly Hills, Ca. USA 90212 212-278-1094

In Switzerland contact: Dr. Zolt Revez, D.Sc., P.O. Box 1126, CH-5401 Baden, Switzerland.

U.S.A.

GUIDED INDEPENDENT STUDY PROGRAM Bachelor, Master, Doctorate

Business Administration • Engineering

Engineering Management • Education

Earn a bachelor, master or doctoral degree. Use your past experience as credit toward your degree. No classes, seminars or on-campus attendance. Studies build upon your experience, relate to your career. Self-paced. Open time schedule.

Distinguished faculty advisors. Act now to advance your career.

• SEND RESUME FOR NO COST EVALUATION

910 Wilshire Blvd.

Dept. 58, Beverly Hills, Ca. USA 90212 212-278-1094

Send in resume. In Switzerland contact: Dr. Zolt Revez, D.Sc., P.O. Box 1126, CH-5401 Baden, Switzerland.

- do not send money with your resume -

P.S.U. is Authorized by The California Department of Education

P.S.U. is an Accredited Member of The National Association of State Approved Colleges and Universities, Washington, D.C.

- do not send money with your resume -

Send a brief resume detailing your background and goals for a no cost evaluation. IMPROVE YOUR PROFESSIONAL OPPORTUNITIES.

P.S.U. is an Accredited Member of The National Association of State

SPORTS

Helped by Dodgers, Padres Clinch Title

United Press International

SAN DIEGO — After 16 rather inconspicuous years in the depths of the National League Western Division, the San Diego Padres finally are champions.

Tim Lollar, the Padres pitcher, clubbed a three-run homer to highlight a five-run second inning Thursday and produce a 5-4 victory over the San Francisco Giants. Later Thursday night, many of the Padres gathered around a radio at

they've learned how to win and now they expect to win every game."

Another veteran who helped turn the Padres around, Steve Garvey, said the season has been laced with good old-fashioned hard work.

"All of us are very proud of what this team has accomplished," he said. "It's great to have a baseball winner in San Diego. You have to give of yourself. It takes a lot of work. But a lot of us have worked 24 hours a day and now it's paid off."

Dodgers 6, Astros 2

In Houston, Candy Maldonado capped a four-inning eighth inning with a two-run single, and Orel Hershiser (10-8) pitched an eight-hitter as the Dodgers eliminated Houston from the pennant race with a 6-2 victory. Nolan Ryan (11-11) left in the second inning after he aggravated a calf injury.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Braves 9, Reds 3

In Atlanta, Gerald Perry had a three-run homer and drove in five runs to power the Braves in a 9-3 victory over Cincinnati. Rick Camp (8-6) pitched seven innings and allowed six hits while striking

Greg Harris came on with runners on first and second and one out and got Dan Gladden to hit into an inning-ending double play. Dave Dravecky, despite allowing a run-scoring single by Cliff Davis in the ninth, finished for his eighth save. Mike Krukow (10-12) pitched five innings and was the loser.

In the second, Craig Nettles led off with a single and moved to second when Terry Kennedy flied out. Kevin McReynolds walked, and Carmela Martinez was hit by a pitch to load the bases. Garry Templeton singled in Martinez. Lollar then lofted a 2-1 pitch into the right-field seats for a 5-0 lead.

The veteran Nettles said the biggest thrill has been the reaction of some of his young teammates.

"It's great for these guys to come up in their first and second year and do this," he said. "They don't really know what it's all about, but

they've learned how to win and now they expect to win every game."

Another veteran who helped turn the Padres around, Steve Garvey, said the season has been laced with good old-fashioned hard work.

"All of us are very proud of what this team has accomplished," he said. "It's great to have a baseball winner in San Diego. You have to give of yourself. It takes a lot of work. But a lot of us have worked 24 hours a day and now it's paid off."

Cardinals 3, Expos 2

In St. Louis, Andy Van Slyke hit a two-run homer and Terry Pendleton went 4-for-4 with an RBI double to lift the Cardinals to a 3-2 victory over Montreal. Dave LaPoint (12-10) went seven innings for the triumph. Bruce Suter pitched two innings for his 43rd save. Bill Gabbert (14-8) was the loser.

Angels 2, Royals 0

In Minneapolis, Tom Brunansky scored the winning run from third base on a wild pitch in the 13th inning, enabling Minnesota to snap a three-game losing streak with a 5-4 victory over Chicago. Brunansky



The Padres' Ed Whitson, Bobby Brown, Alan Wiggins and Kevin McReynolds celebrating mildly after their 5-4 triumph over the Giants on Thursday. The Padres did not clinch the division title until later in the day, when the Dodgers eliminated the Astros. The RAK on Padre sleeves is in remembrance of Ray A. Kroc, the team owner who died earlier this year.

out two and walking three. Jeff Russell (6-18) took the loss.

Cardinals 3, Expos 2

In St. Louis, Dave Collins drove in two runs, scored three times and stole two bases to lead the Blue Jays to a 6-4 victory over Milwaukee. Dave Stieb won 8½ innings, allowed nine hits, struck out seven and walked five to push his record in 15-7. Brad Gibson (14-8) was the loser.

Twins 5, White Sox 4

In Minneapolis, Tom Brunansky scored the winning run from third base on a wild pitch in the 13th inning, enabling Minnesota to snap a three-game losing streak with a 5-4 victory over Chicago. Brunansky

Both teams filed protests, charging each other with illegal bats.

Blue Jays 6, Brewers 4

In Toronto, Dave Collins drove in two runs, scored three times and stole two bases to lead the Blue Jays to a 6-4 victory over Milwaukee. Dave Stieb won 8½ innings, allowed nine hits, struck out seven and walked five to push his record in 15-7. Brad Gibson (14-8) was the loser.

Orioles 15, Red Sox 1

In Baltimore, Ken Singleton hit a grand slam, and Mike Young had a two-run homer and five RBIs to power the Orioles to a 15-1 triumph over Boston. Mike Flanagan (13-13) scattered seven hits over seven innings while his teammates pounded three Boston pitchers for 20 hits, 10 for extra bases.

Astros 2, Royals 0

In the American League, in Anaheim, California, Mike Witt limited Kansas City to three singles, and Brian Downing hit his 21st home run to give California a 2-0 victory.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,651 enabled Chicago to draw 2 million fans for the first time in its 106-year history.

Pirates 7, Cubs 6

In Chicago, Johnny Ray's sacrifice fly scored Joe Orsulak to clinch a two-run eighth inning and lift Pittsburgh to a 6-5 victory over Chicago and a sweep of the three-game series. The Cubs dropped their fourth straight game, and their magic number to win the National League East remained at three. A crowd of 33,65

